

BENNER'S PROPHECIES
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BENNER'S PROPHECIES

OF

FUTURE UPS AND DOWNS IN PRICES

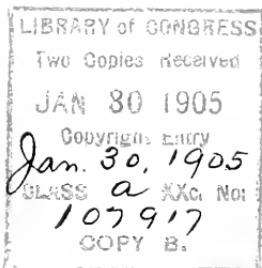
WHAT YEARS TO MAKE MONEY ON PIG-IRON, HOGS, CORN,
AND PROVISIONS.

By SAMUEL BENNER,
An Ohio Farmer.

"I know of no way of judging of the future but by the past."
—PATRICK HENRY

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WITH FORECAST FOR 1905.
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DEDICATED

TO THE

AGRICULTURAL, MANUFACTURING, MINING, MERCANTILE,
INDUSTRIAL, FINANCIAL, AND COMMERCIAL
INTERESTS OF THE UNITED STATES OF AMERICA.

There is a time in the price of certain
products and commodities,
Which, if taken by men at the advance,
leads on to fortune;
And, if taken at the decline, leads to
bankruptcy and ruin.

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P R E F A C E.

IN the following pages the object of the writer is to give brief, full, and clear exposition of the ups and downs in prices for certain products and commodities in the markets of our country, to all who are struggling in the same for a competence.

To foresee the future intelligently in regard to supply and demand, production and consumption, is the great want that finance and commerce are to-day struggling and grappling with and striving to solve.

The question of prices will always be of great interest to the producer and consumer. The spirit of the age is tending toward speculation in the products of the "Farm, the Mine, and the Factory." All business operations for profit and future contracts are attended with a great deal of risk, and the leading branches of trade demand information on the subject, and that the uncertainties of the future be lessened.

There is always a hesitancy and a desire for further intelligence, in regard to engaging in

any business where the chances for profit depend upon so many contingencies and circumstances.

The author, in presenting a practical book to the public on the subject, and on the branches of trade of which it treats, is inspired with the belief that it will be the greatest boon to the reader to have the years of high and low prices pointed out in the future.

It should be the highest aim of the farmer, manufacturer, and trader, in a business point of view, to penetrate the future and calculate what years he can realize the best prices for his products.

Content to be useful, instead of being voluminous, the writer has confined the book to a few of the most important branches of trade. To have extended the work to the dimensions of embracing other branches would have made it more copious than the designed brevity of the book would admit.

It is hoped that to this volume will be accorded the merit of directing more attention to the ups and downs in prices, and the causes producing and influencing the same.

And now, submitting the results of our labor, experience, and observation to the in

dustry and commerce of the country, the author's wishes will be fully realized if this little volume contains any information which may be useful or of service to those interested

INTRODUCTION.

THE advance and decline in the average price of pig-iron, hogs, corn, and provisions in the markets of our country, for a series of twenty years past, and for certain periods, have been as alternately certain as the diurnal revolutions of the earth upon its axis; and the periods of high and low prices have been as regular in rotation, as the annual return of the four seasons.

Now, READER: You who may study the ups and downs in prices as collated and considered in these pages, and operate in accordance with the advance of prices and tendencies of the times, as here indicated, will surely be successful; whilst those who stubbornly and blindly prosecute on the decline, will do an unprofitable business, and will meet with continued disaster and loss.

I am well aware that my prediction of the downward tendency in the prices of pig-iron, hogs, corn, and provisions, and dull trade for the next two years, will be to some as unwell-

come as the tolling of the fire bell at the hour of midnight; and to others as unexpected as was the approach of the Medes and Persians, under the walls of Babylon, to the banquetors at the royal board of Belshazzar; but we can not be blamed for foretelling that which can not be averted and which past prices, and signs of the times indicate, and which a conscientious conviction of duty compels us to predict, with the hope that our premonition may serve to diminish disaster and save national and individual interests from ruin.

I now at once make my predictions, and will endeavor to demonstrate their certainty and fulfillment to the comprehension of all, by an examination of past prices, and their bearing upon the future, as analyzed by the light of practical experience and sound analogy.

PREDICTIONS.

PIG-IRON.

I PREDICT that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be lower in the year 1876 than in 1875.

I predict that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be lower in the year 1877 than in 1876, and that the daily price in some months of that year will run below twenty dollars per ton.

I predict that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be higher in the year 1878 than in 1877.

I predict that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be higher in the year 1879 than in 1878, notwithstanding the resumption of specie payments.

I predict that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be higher in the year 1880 than in 1879.

I predict that the average price of No. 1 foundry charcoal pig-iron in the markets of our country will be higher in the year 1881 than in 1880, and that the daily price in some months of that year will run above fifty dollars per ton.

The average prices as determined for the "American Iron and Steel Association."

HOGS.

I predict that the average price of fat hogs in the markets of our country will be lower in the year 1876 than in 1875.

I predict that the average price of fat hogs in the markets of our country will be lower in the year 1877 than in 1876.

I predict that the average price of fat hogs in the markets of our country will be higher in the year 1878 than in 1877.

I predict that the average price of fat hogs in the markets of our country will be higher in the year 1879 than in 1878, notwithstanding the resumption of specie payments.

I predict that the average price of fat hogs

In the markets of our country will be higher in the year 1880 than in 1879.

The average prices as determined by the "CINCINNATI PRICE CURRENT."

PANIC.

I predict *that* there will be great depression in general business, and many failures in the years 1876 and 1877, and *that* there will be a commercial revulsion, and a financial crisis in the year 1891.

Here are twelve prophecies of certain events to take place in the future, and they are of no uncertain sound; either one of them, if taken advantage of, by large operators and speculators, would make and save them millions of money, and would be of incalculable benefit to every person in this country. To know *when* to shape our agricultural, manufacturing, and financial operations, so as to secure the best markets instead of the worst, is the end much to be desired by all.

These prophecies are made not upon supposed fanciful speculation, but from the testimony of twenty years' observation by the writer, from living and experienced facts; from the yearly average prices compiled by

recognized official authority, and by analogy, relying upon "history to repeat itself."

The writer does not claim a "gift of prophecy," but he does claim a *Cast Iron Rule* that will do to keep in sight, and that future ups and downs of the markets, and high and low prices in certain products and commodities, can be calculated for some years to come with as much certainty, and upon the same principle that an astronomer calculates an eclipse of the sun.

It is not upon record that Joseph had Egyptian weather statistics, or tables of production and prices, to base his prediction and interpretation of Pharaoh's dream; but he relied upon divine power to *fulfill* his prophecy. On our part, we base our predictions upon the records of the past, and their relation to the future, as governed by the unchangeable laws of nature, and only rely upon providence for their *fulfillment* to give us the continued regular progress and development of these laws, and to its usual dispensation for seasons to make large or small crops, and not on the peoples' efforts merely.

The author firmly believes that God is in prices, and that the over and under produc-

tion of every commodity is in accordance with his will, with strict reference to the wants of mankind, and governed by the laws of nature, which are God's laws; and that the production, advance, and decline of average prices should be systematic, and occur in an established providential succession, as certain and regular as the magnetic needle points unerringly to the pole.

Are not all kinds of business at loose ends—astray, tossed on the tempestuous sea of uncertainty—from our imperfect knowledge of natural causes and the laws by which they operate; and our lack of accurate statistics of production and prices, a knowledge of which would enable us to discover and establish reliable rules for our guidance in the future? Is there any thing certain and settled in farming, except that a broom-handle is a sure cure for hoven in cattle! Are not farmers, furnace-men, manufacturers, traders and speculators at random, like a ship without compass or rudder? Do not all operations in business depend for success upon a certain number of fixed, reliable rules? The rules we have to commence and transact business upon are stereotyped rules, that "HONESTY is the best policy" that industry, energy, per-

severance, prudence, economy, and so on, lead to riches and competence. These are all good enough in their line, and indispensable to success, but are they all-sufficient? Is this knowledge all that is absolutely required for successful business in every department of trade? Is there not a knowledge of something more which a business man wants? And who is not a business man? In order to guide him in reference to future prices that are to rule in the markets of our country, we can not close our eyes and ignore the fact that there is a want of rules by which to interpret the "signs of the times," and to enable us to comprehend the future status of the markets, so we may know six months or a year ahead what are to be the conditions and circumstances that will produce the coming ups and downs in prices for any product or commodity, and when the changes from high and low prices are to take place.

How are we to get this information, this insight into, or foresight of the future?

Do the Records of the Weather Give the Rule?

In seeking to forecast future prices of agricultural products, the weather is an impor-

tant element of uncertainty. With the rapidly increasing means of observation, and the deep interest taken by governments and scientists every-where in the laws of climate, the development and path of storms, nature of calms, theory of winds, movements of masses of hot and dry air, and the phenomena of rain and snow, we may in time learn to calculate with certainty what years will be dry or wet; when we may expect years of heat, storm, and cold; but with all the weather statistics of the past, tables of meteorology, and not excepting the weather wisdom of almanac makers, it will not come within the province of this work to lay down rules by which to forecast the future of the weather. It will require time, research, with improved means, and a more complete series of meteorological and climatological observations to form a system of probabilities that can be useful; and when the weather probabilities are reduced to a science, it will then be a long step to determine agricultural productions and prices from them; and if the time should come when the weather bureau at Washington can predict twelve months ahead instead of twenty-four hours, we can then know in advance what the seasons are

to be, the number of bushels or pounds of any thing to be produced, what prices will rule: and we can all make money.

It will not be one of the points of this book to determine the *causes of things*, or the conditions and elements which will produce the coming ups and downs in prices; with these questions these prophecies have nothing to do; it will only come within its sphere to ascertain and point out the periodical return of effects, in the changes from high and low prices.

We know the effects as manifested in the ups and downs of average prices, and good and bad trade, and it seems as though there ought to be an established cause to produce results of so much certainty, periodicity, and alternate regularity.

The difficulty encountered in determining the causes producing the changes in production and prices is, that we are compelled to reason *a posteriori*, from effect to cause, and "what can we reason but from what we know." All original causes are invisible, and that which is rendered visible through development is an effect; the cause must exist antecedent to the effect. The manner in which causes and their laws operate to produce these

effects may be found in our solar system, upon which we hereafter give some theories. All nature is found to be the servant of law: spring, summer, autumn, and winter succeed each other in unchangeable regularity, and the recurrences of the various convulsions of nature are being determined on scientific principles; none of these things happen by chance, but all of them by some law which will shortly be solved; and when the causes producing the changes in the weather, and the operations of their laws are better understood, we may be then better able to discover their influence on the state of business in manufacture, trade, and commerce; then we may be enabled to fathom the conditions and elements that will produce the coming ups and downs in prices which are to rule in the markets of our country.

Do the Statistics of Production Give the Rule?

To ascertain when the changes from high and low prices are to take place:

Who is it that can tell us what is to be the production of corn, cotton, wheat, tobacco, or any product that grows from the ground, and is dependent upon the season for the life or

death of the plant? No one; after they have gathered and collected all the information obtainable in regard to the acreage to be planted or sown, the seasons make large or small crops, and not the farmers.

A cold, wet spring through the months of April, May, and June, is almost fatal to the corn, cotton, tobacco, and other plants. Also a dry, hot summer, has the effect to destroy the growing stocks. Floods and early frosts are great destroyers of the cereals in our northern latitudes; either one of these elements operating diminishes the number of pounds or bushels, and produces short crops; therefore, we can not beforehand determine what will be the production of any year by that which has been planted or sown.

Statistics of agricultural products or manufactured commodities are generally too late to be available for present use; they come after a person has made their investment or disposed of their property. Agricultural statistics, as generally compiled at Washington, tell the farmer the aggregate amount or number of bushels produced six months or a year after their crops have been harvested and sold.

Statistics of production, either estimated or

sold for consumption, are not sufficient to operate upon; one is too soon, the other too late.

Commercial estimates are too high.

The future can not be calculated upon intelligently by agricultural statistics. The reason why they are not reliable is, that they are not given in by farmers correct: one farmer will think it has something to do with taxes, and he will give them in low; another, to magnify the yield of his farm, and other purposes, will give them in high; therefore, they can not be a criterion for future calculation and prices.

Again, statistics of what has been produced may vary considerably from the available supply. We can not make any correct estimate or compile any statistics of what has been done with a crop. The corn crop of one year may not feed more than two-thirds of the stock that the crop would of another year.

Statistics of foreign exports are not to be depended upon. The estimated aggregate amount of the yearly production of any crop or manufactured commodity, does not from year to year approximate any regularity of increase or decrease that indicates future pro-

duction; and therefore the course of future prices can not be determined by them.

Statistics are generally huge columns of figures, of which no one knows all the channels from whence they came, all the clerical errors in their compilation, and parties interested in their manipulation.

In attempting to explore and explain the elements in these statistical tables and problems of which people think are few and easily read, the real supply and demand will be as unfathomable as the waters of the briny deep.

Does the Price Give the Rule?

The price of any product is the exponent of the accumulated wisdom of the country in regard to the available supply and prospective demand for that product; and as the price advances or declines, so it indicates the surplus or deficit of any product or commodity.

The daily price is always known in the markets. There may be incidental causes, which are always producing slight and temporary fluctuations in value. The variation in price in one locality from another may be found in the cost of transportation or other

local causes. The price is always known; the amount of any product and the demand for the same, is not so easily obtained. The books are always posted in regard to price, but several pages behind on amount of product available and the demand for the same. The price is the index of the probable amount of any product or commodity that is demanded for general consumption.

The price which an article will command to-morrow or next week can not always be known, as there are so many contingencies to cause temporary fluctuations in the markets. One or more of the various products may be manipulated so as to influence the price to advance or decline for a short time, but speculators can not influence any market only temporarily.

It is not within the wisdom of finite beings to comprehend all the temporary circumstances connected with prices, as governed and influenced by supply and demand, weather and seasons, combinations and corners, longs and shorts, puts and calls, and bulls and bears to operate upon the market.

Now as the temporary price is uncertain let us look further into the subject of price to find a rule, and take the average to ascer-

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tain if there is any regularity existing in the run of the markets. As prices of agricultural products are governed by production, and production is governed by the seasons, and as it takes the four seasons to determine the abundance or scarcity of a crop; therefore we are compelled to take the yearly average price to get above and beyond the control and influence of speculators, manipulators, and corners upon the market.

The yearly average price is ascertained by taking the price each day, week, or month, at one or more of the markets where the articles are bought and sold, and by adding the whole together, and then dividing by the number of times taken, the quotient will give the average for a year.

When the yearly average price is very low for any product or commodity, and next year advances, and so on until it reaches the highest average, is that which is here denominated an "*up?*" When the average price declines from one year to another to the lowest average, is that which is here denominated a "*down?*"

The "*ups and downs*" of yearly average prices, in a series of years for some articles are very noticeable; and it can be observed

that it takes a required number of years to complete an "up and down."

Now to find a rule that can give us any foresight of future markets, we must look to the past ups and downs of average prices; then ascertain how many years it takes to complete an up and down in any product or commodity then determine in what order the ups and downs are repeated in the next cycle; and if there is found any noticeable periodicity in cycles, then we have a rule which can be applied to the future. An up and down or a down and up in average prices, is in this book denominated a cycle.

The cycles in yearly average prices

Gives Us The Rule.

The indubitable evidences and testimonies of observation have established this rule as the safest we have ever practiced and have ever found adapted to this purpose. And inside of this rule, like a wheel within a wheel, is to be found our "Cast Iron Rule," which is that *one extreme invariably follows another*, as can be witnessed in all the operations of nature in all the business affairs of man, and in all the ramifications of trade and industry; and

in every cycle of average prices it is shown to what extent these extremes run. This rule when applied to pig-iron, hogs, corn and provisions, is as persistent as the attractive and repulsive forces of the magnet, and as unchangeable as the laws of the Medes and Persians.

This knowledge of the years in which high and low prices return in the markets, belong to the farmer, manufacturer, and legitimate trader, as well as the speculator; and it is as important that this intelligence should be known to one as to the other.

The ups and downs in prices, as considered in this book, have reference to a series of years as distinguished from the daily and weekly fluctuations. War, panic, and elections have not changed the general yearly course of prices in some articles for many years past; and we only go back so far as we have been enabled to obtain reliable yearly average prices, or the official records of monthly prices at New York, and from them we can date their unfolding, and since that time establish by our rule the full development of our system of prophecy.

It is not necessary for us to look beyond the present century, or to the history of prices in older countries, for epochs of abundance and scarcity, to prove recurring cycles in prices

The alternation of good and bad harvests is well known in English history. "Tooke" published a history of prices in 1838, giving an exhaustive analysis of the causes producing abundance and scarcity in crops in the eighteenth century, but did not establish any rule by which the future course of prices could be arithmetically calculated.

It is to the present nineteenth century, and in the land of free America, the most favored nation upon the earth, that divine providence has arranged this matter, for not only the spread of the true principles of religion and liberty, but the full development of the operations of the unchangeable laws of nature around and about us.

The battles of Lexington, Concord and Bunker Hill, the centennial of which we celebrated in 1875, was the commencement of our struggles for freedom from the tyrannical yoke of England. The War of 1812 was the final consummation of our independence in the arts and sciences, commerce and politics; and the period in our history after which we can date the development of the reaper and mower, sewing-machine, grain elevator, power loom, cotton gin, stereotype, steam printing press, railroad, steamboat, electric telegraph, the

compilation of average prices, new elements and sciences, and a multitude of inventions and discoveries for the advancement of man in his onward path of progress, and in the knowledge of the ways of an inscrutable providence.

Now instead of pondering over farmers' deliveries, weekly receipts, visible supplies, and entering into an expensive collection and elaborate examination of statistics of what the probable production of pig-iron, corn, and hogs will be, and the commercial demand for the same, and what old elements will be wanting and new ones to be developed, and watching and waiting to hear from New York, let us call history to the witness stand, and see what it has to testify on the subject ; and also bring into court the testimony of observation and experience, by taking the course of the averages in past markets, as compiled by reliable and official authority ; and also the years in which money has been made and lost in the different branches of trade, and then by our rule make the application for the future.

PIG-IRON.

The following statement, prepared by Hor. Henry C. Carey, in 1849, embraces all that is

definitely known of the progress of the iron industry in this country prior to 1854.

Mr. Carey's Pig-iron Statistics.

In 1810 the whole number of furnaces in the Union was 153, yielding 54,000 tons of metal, equal to 16 pounds per head of the population.

In 1821 the manufacture was in a state of ruin.

In 1828 the product had reached 130,000 tons, having little more than doubled in eighteen years.

In 1829 it was 142,000. Increase in one year nearly ten per cent.

In 1830 it was 165,000. Increase in two years more than 25 per cent.

In 1831 it was 191,000. Increase in three years about 50 per cent.

In 1832 it was 200,000, giving an increase in three years of above 60 per cent.

In 1840 the quantity given by the census was 286,000, but a committee of the Home League, in New York, made it 347,700 tons. Taking the medium of the two, it would give about 315,000 tons, being an increase in eight years of 50 per cent.

In 1842 a large portion of the furnaces were closed, and the product had fallen to probably little more than 200,000, but certainly less than 230,000 tons.

In 1846 it was estimated by the Secretary of the Treasury at 765,000 tons, having trebled in four years.

In 1847 it was supposed to have reached the amount of not less than 800,000 tons.

In 1848 it became stationary.

In 1849 many furnaces being already closed, the production of the present year can not be estimated above 650,000 tons; but from the accumulation of stock, and the difficulty of selling it, it is obvious that the diminution will be greater.

The above statement, it will be observed, is only statistical in regard to production, although it is stated that in 1821 the manufacture was in a state of ruin; and in 1842 a large portion of the furnaces were closed. This probably was in consequence of low prices that prevailed at this time.

In the report of the Secretary of the Treasury for 1863, the only official source for average prices since the war of 1812, or the panic of 1819, and prior to 1844, that I am able to obtain, is, however, sufficient for our purpose;

it is recorded that 1825, '26, and '27 were years of very high prices in pig-iron; after these years the price declined, the tariff of twelve and one-half dollars per ton was reduced in 1833, and in the year 1834 the price had declined to a very low figure for that time. Business was depressed in all branches of trade; the aggregate amount of duties on all imports were the lowest that had been collected for many years before that year; this date is forty-two years ago, and I commence my table of the ups and downs in prices of pig-iron at this time.

The finance report of 1863, in giving prices for the New York market, states that in 1836 there was a material rise in prices in all articles, especially pig-iron, which is quoted at sixty dollars per ton; and in 1837 the price advanced to seventy dollars per ton for Scotch pig, which was an extremely high price, and three years from the low prices of 1834.

The panic in money caused the suspension of specie payments by the banks in May, 1837, yet the price of pig-iron had commenced to decline in March of that year, before the panic had cast its blighting shadow over the country.

In the years 1838, '39, '40, '41, and '42 the

price continued to decline, and 1843 was a remarkable year for the extreme depression in prices that prevailed for all staple articles. Scotch pig was quoted in September of that year as low as twenty-two and one-half dollars per ton ; this low price was six years after the high prices of 1837.

In the year 1844 the price commenced to advance, and in 1845, in the month of May, the price is quoted at fifty-two and one-half dollars per ton. The price had increased thirty dollars per ton in twenty months. The maximum price was reached in a few months less than two years from the minimum price of 1843—mark this !

Yearly average prices in Philadelphia of No. 1 Anthracite foundry pig-iron, from 1844 to 1874, both years inclusive ; and production of pig-iron from 1854 to 1874 as compiled for the American Iron and Steel Association.

TABLE OF YEARLY AVERAGE PRICES.

YEAR.	PRICE.	TONS.
1844	25 $\frac{3}{4}$	.
1845	29 $\frac{1}{4}$	.
1846	27 $\frac{5}{8}$	.
1847	30 $\frac{1}{4}$	.
1848	26 $\frac{1}{2}$	.
1849	22 $\frac{3}{4}$	.
1850	20 $\frac{7}{8}$	.
1851	21 $\frac{3}{8}$	.
1852	22 $\frac{5}{8}$	.
1853	36 $\frac{1}{8}$	.
1854	36 $\frac{7}{8}$	736,218.
1855	27 $\frac{3}{4}$	784,178.
1856	27 $\frac{1}{8}$	883,137.
1857	26 $\frac{3}{8}$	798,157.
1858	22 $\frac{1}{4}$	705,094.
1859	23 $\frac{3}{8}$	840,627.
1860	22 $\frac{3}{4}$	919,770.
1861	20 $\frac{1}{4}$	731,544.
1862	23 $\frac{7}{8}$	787,662.
1863	35 $\frac{1}{4}$	947,604.
1864	59 $\frac{1}{4}$	1,135,996.
1865	46 $\frac{1}{8}$	931,582
1866	46 $\frac{7}{8}$	1,350,343
1867	44 $\frac{1}{8}$	1,461,626.
1868	39 $\frac{1}{4}$	1,603,000.
1869	40 $\frac{5}{8}$	1,919,641.
1870	33 $\frac{1}{4}$	1,865,000
1871	35 $\frac{1}{8}$	1,912,608
1872	48 $\frac{7}{8}$	2,854,558.
1873	42 $\frac{3}{4}$	2,868,278.
1874	30 $\frac{1}{4}$	2,689,413.

The following are the high and low priced years in which are the highest and lowest monthly averages, which shows when the changes commence in the ups and downs of the markets for pig-iron.

In Finance Report the highest daily price in 1837, was, in January, 70 dollars per ton. In report of the Secretary Iron and Steel Association, the highest monthly averages are as follows :

1845, May,	34 $\frac{1}{8}$	dollars per ton.
1854, June,	38	" "
1864, August,	73 $\frac{5}{8}$	" "
1872, September,	53 $\frac{7}{8}$	" "

The Finance Report gives the lowest daily price for 1834, in April, 38 dollars per ton; for 1843, in July, 22 $\frac{1}{2}$ dollars per ton.

In report of the Secretary Iron and Steel Association, the lowest monthly averages are as follows :

1850, July,	20	dollars per ton.
1861, October, .	18 $\frac{5}{8}$	" "
1870, December, 31 $\frac{1}{4}$	"	"

After the high priced year 1845, the price of pig-iron declined, and in 1846, '47, '48, '49 it continued on the downward scale; and in 1850, the average by the table is 20 $\frac{7}{8}$ dollars per ton, making five in number of declining

years since 1845, and recording severe depression in the iron trade, following the depressions of 1834 and 1843.

Our war with Mexico in 1846, '47, '48, and the influx of gold from California, did not have the effect of changing the direction of the price of iron, as it continued to decline during the war and after peace was declared. After the year 1850 the price again advanced in 1851, '52, '53 and in 1854, the price reached the high average of 36 dollars per ton, making four years of advances from 1850.

The uncertainty of all manufacturing business, especially the manufacture of pig-iron, for the want of general knowledge when the periodical decline in price is to commence—of which it seems our sharpest and most experienced men have made mistakes, as serious and fatal as persons of less pretensions, experience, and business qualifications—is exemplified in the following:

The *Iron King* of the Hanging Rock iron region in Ohio, in the year 1854, was so led astray by success and fortunate operations in making pig-iron, as to order wood chopped and ore mined the fall and winter of that year, sufficient, it was claimed, to run a certain furnace the succeeding year "*thirteen months out*

of twelve." As pig-iron at fifty dollars per ton would make all furnace owners rich, it was surely the veritable "Alladin's Lamp," and it was only necessary for furnace men to touch King Pig-iron and, "*mirabile dictu*," up would come the oriental genii with untold wealth. But alas! what of the times? Had the chances been studied, or were furnace men courting the "delusive phantom of hope" and blind-folding themselves? What did the balance sheet of that year show? A loss of fifteen thousand dollars. And why? Because the price of pig-iron had tumbled in obedience to the effects and mandates of that uniform, universal and inexorable law of over-supply and under-demand.

There were a host of furnace men at that time whose thoughts were in the same channel, and who claimed that iron was the scepter to wield and control the commerce of the world; and demanded fabulous prices for their furnace property, ignoring and forgetting the records of past history, that iron has its ups and downs like other articles of manufacture; and that its power to control is as potent on the decline as when on the advance. And in that year 1855, without their consent and beyond their control, and in accordance with

an established natural rule, their pig-iron was left "high and dry," and as time glided along in the seven succeeding years, their property would not sell for one-half the sum that before a reasonable price demanded. The business became prostrated, and furnace men lost stacks of money; the great majority of owners were compelled to realize on their stacks of pig-iron and sacrifice their furnace property to keep out of bankruptcy. The price continued to decline to the year 1861. The writer knew of merchantable hot blast charcoal pig-iron selling as low as thirteen dollars per ton during the winter of 1860 and '61, in the city of Cincinnati. The seven years from 1854 to 1861 were very disastrous to the iron trade, and prostrated more furnaces than any period of declines in the history of this country.

The commercial reaction and financial difficulty of 1857, produced a general calamity; paralyzed the hand of industry and cramped the energies of the people for four long continued years after that revulsion.

In the fall of 1860 the banks of Baltimore, Philadelphia, Richmond and other southern cities suspended, and in the spring of 1861 the war of rebellion burst upon us like a clap of thunder in a clear sky, creating terrible

disturbance in all the ramifications of business, stopping the wheels of commerce and producing general consternation and stagnation in the iron trade.

I assert it here as a stubborn fact, as showing my faith in these cycles, that if the war of rebellion had commenced in 1854 or in 1864, the general course of prices for pig-iron would have been downward in the following seven years after 1854 and the following six years after 1864, succeeding the same *condition to eras* as the price after 1845 declined five years during the Mexican war of 1846, '47 and '48; however, the price would not have ruled so low in 1861 and 1870 as it did in 1850. And I also assert as an unquestionable fact, that if we had not have had the war of rebellion from 1861 to 1865, the price of pig-iron nevertheless would have advanced in the years 1862, '63 and '64, although the price would not have reached so high an average as it did in these years.

These assertions coincide with our remarks heretofore, that war, panic, and elections do not change the general course of prices in their cycles; however, it may be that war and commercial revulsions are coincident with the advance and decline of the price of pig-iron in

the present century. Now, again we have seen the price decline in 1865, '66, '67, '68, '69 and '70. Six years of decline, although the averages do not run so low as they did from 1854 to 1861.

Again the price takes the ascending scale in 1871, and scarcely two years from the minimum price of 1870 reaching the maximum in 1872, when the average of forty eight dollars is recorded. Mark this advance, and remember the twenty months' advance from 1843 to 1845! The present cycle commencing with the advance of 1871 and '72, and continuing with the declines of 1873, '74 and '75, brings us up to the present year 1876.

In the table of yearly average prices for the year 1847, the price is higher than in 1846. The Financial Report gives the price lower in 1847 than in 1846—there appears this discrepancy between these two authorities. Also for the year 1858 the price is lower than in 1859; which probably was occasioned by the panic in the fall of 1857, depressing the price in 1858 for a short time below its natural and proper position. And in 1865 we also notice the price depressed a fraction below the price of 1866. And again, in 1868 the price is lower than in 1869. These

irregularities in the years of declines, if not errors in compilation, are likely effects of accidental and temporary causes. In the years of advance in the price of iron, we have none of these irregularities.

It has been within the experience and observation of the writer; and as for himself requires no authority for the information that the price of pig-iron was very high in the years 1837, 1845, 1854, 1864, and 1872, and that these years were the highest priced years since 1834; and also that the iron trade was severely depressed in the years 1834, 1843, 1850, 1861, and 1870, and that these years were the lowest priced years since 1834.

Now we have our data; having traveled over the facts in a voyage of discovery and secured our evidence, let us form our cycles and see if we can make out a rule. Commencing with the low priced year, 1834, we have stated that the price advanced three years to 1837; declined six years to 1843, making a cycle between low prices of nine years. Again the price advanced two years to 1845, and declined five years to 1850, making a cycle of seven years. Again advanced four years to 1854, and declined seven years to 1861, making a cycle of eleven years. Again ad-

vanced three years to 1864, and declined six years to 1870, making a cycle of nine years. Again advanced two years to 1872, and declined three years to 1875.

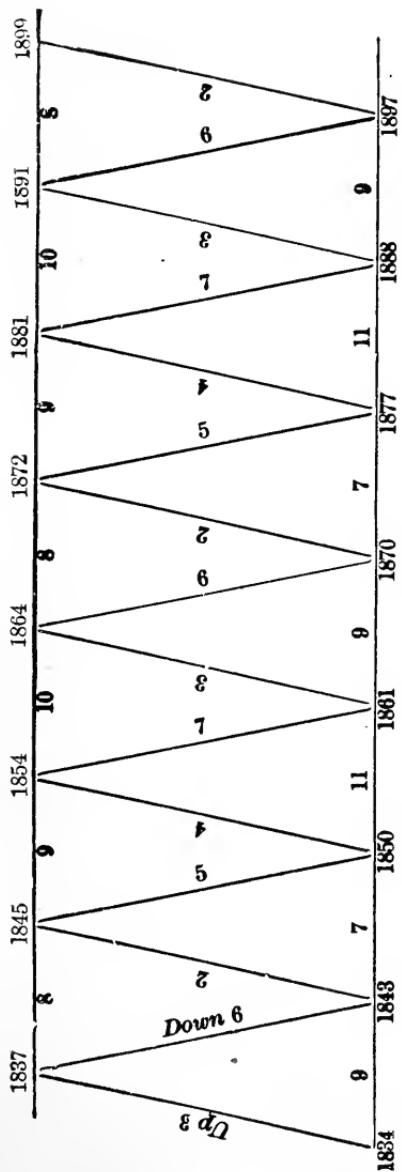
It will be noticed that the years of advances are as follows: 3, 2—4, 3, 2. The declines are 6, 5—7, 6, and 3, up to the present, denoting that the present declines are not full by two years, of which it is necessary to have a cycle of seven years in its order between low prices. Unless history in detail does not repeat itself, the future can not be judged by the past, and all human calculations as to cyclical movements in prices are as naught; and there is not any thing sure and certain for man at the present day and age but death and taxes.

We have so far but three years of decline from the high prices of 1872, and if the cycle of seven years, from 1843 to 1850, is to make its periodical return, and be repeated in its natural order of two years of advance and five of decline, then the cycle of seven years between low prices in its order is to be filled up from 1870 to 1877; and, therefore, we must have two years more of decline after 1875 to fill up the cycle, and we have no doubt but that "history will repeat itself" here as it has

done in other cycles which will verify and establish the accuracy of our prophecy.

Let us return to 1837, after which there are six years of decline to 1843, and two years of advance to 1845, making a cycle in high prices of eight years. Again the price declines five years to 1850, and advances four years to 1854, making a cycle of nine years. Again the price declines seven years to 1861, and advances three years to 1864, making a cycle of ten years. Again declines six years to 1870, and advances two years to 1872, making a cycle of eight years. Again declines three years to 1875, requiring two years more of decline, and four years of advance to make a cycle of nine years, the next cycle in its order, which cycle in high prices ends in the year 1881, this year will be the next highest priced year for pig-iron.

The following scale will enable the reader to better understand the different cycles in high and low prices, and the order in which they return.



THE PAST.

UPS.	DOWNS.
1835	1838
3 1836	1839
1837	6 1840
	1841
	1842
	1843
2 1844	1846
1845	1847
	5 1848
	1849
	1850
	1851
4 1852	1855
1853	1856
1854	1857
	7 1858
	1859
	1860
	1861
	1862
3 1863	1865
1864	1866
	6 1867
	1868
	1869
	1870
2 1871	1873
1872	1874
	1875
THE FUTURE.	
	1878
4 1879	1876
1880	1877
1881	
	1882
	1883
	1884
	7 1885
	1886
	1887
	1888
	1889
3 1890	1892
1891	1893
	6 1894
	1895
2 1898	1896
1899	1897

THE FUTURE.

At the bottom of the scale is shown the lowest priced years, 1834, 1843, 1850, 1861, 1870; and in the future 1877, 1888, and 1897.

At the top are the highest priced years, 1837, 1845, 1854, 1864, and 1872; and in the future, 1881, 1891, and 1899.

This scale shows that the cycles of the lowest priced years are in a decreasing series of arithmetical progression, and in the order of 11, 9, 7, and repeat. The cycles of the highest priced years are in an increasing series of arithmetical progression, and in the order of 8, 9, 10, and repeat. Also we observe that the price of pig-iron advances and declines in a decreasing series of arithmetical progression, the advances in the order of 4, 3, and 2 years, and repeat; the declines in the order of 7, 6, and 5 years, and repeat.

Since 1834 and including 1875, the price of pig-iron has declined twenty-seven years, and advanced fourteen years, making the ratio of declines to the advances as two to one. The present cycle ending in 1877, will complete five cycles in low prices since 1834; the five cycles in high prices will be completed in 1881. The return of the commencement of the different cycles in their periodical order

is twenty-seven years, one-half the ordinary life-time of man.

On page 45, the year of advances are grouped together, under the head of ups; and the years of declines under the head of downs for the old series, and continued in the future for the new series. We are now in the cycle of seven years between low priced years, and at the beginning of the fourth year of declines in this cycle, two more years will complete this cycle, and also the old series of the ups and downs.

In the year 1878 we shall enter a new series of ups and downs; the advances commencing with four years, and declines with seven years, making a cycle of eleven years in low prices. Also we are now in the cycle of nine years in high prices, and in 1881 the present high priced year cycle will be complete, and end. And after 1881 we shall enter the cycle of ten years in high prices, completing this cycle in 1891.

In the years 1878, '79, '80, and '81, the price of pig-iron will be on the ascending scale, the *iron trade will again be prosperous*, and in these years, especially the last two, 1880 and 1881, money will be made very fast in this business, unless trammelled by unwise legislation

upon the currency and tariff; and in the year 1881, in the months of September and October, the price will be at the highest. After these months in that year, the price will have a downward tendency and begin to tumble, and it will be fortunate for all persons who may be readers of this book, and may regulate their business affairs according to the light here shown, to close out their investment at a good price in that year, and it would be to the interest and benefit of our whole country if our iron men, statesmen, and others, would only take advantage of this information, which would be the means of placing more real money in the pockets of the people and coffers of the nation, than the wonderful alchemy at Washington, which is invoked by politicians to transform old rags into beautiful yet numberless greenbacks.

When the iron trade is depressed, so is trade in every department of manufacture dull and unprofitable. It is to the interests of TRADE UNIONS to ponder and well consider these predictions; as upon their certainty, their losses by strikes for higher wages, or to maintain former rates in these years of decline could be averted, by knowing the unchangeable tendencies of the times.

We have in the beginning predicted that the daily price in 1877 will run below twenty dollars per ton; and in 1881 above fifty dollars per ton. The inspiration that directs this prediction is found in the fact that "one extreme invariably follows another," and that the daily price runs below twenty dollars per ton in all the low priced years, and above fifty dollars per ton in all the high priced years.

The years 1882, '83, '84, '85, '86, '87, and '88, will be years of decline in the price of pig-iron, and years of depression in this business. These seven years of decline will be a repetition of the seven years from 1854 to 1861. We have had but one of these seven year declines since 1834, and it would be to the benefit of this country if we should never have another; however, the writer is compelled by the rule of cycles to point it out in the future, and warn the iron trade of this *impending danger*. And we proclaim it, to all who may be readers of this book, and engaged in any way in the iron trade, to be prepared after the year 1881 for breakers ahead!! What we have to say on these cycles in prices we are positive of, and we may as well, right here, state that this is a positive book.

In the repetition of these seven years of decline, which these cycles surely indicate, every furnace in this country will be slaughtered, unless backed by large capital and ability to stand great loss, or hold their iron, stop their furnaces, husband resources, and wait for better times, as pointed out in these pages. These declines will not encounter a general panic, as did the former seven year declines in the panic of 1857, or the present five year declines in the panic of 1873; and, therefore, they will be more gradual.

In the years 1889, '90, and '91, the price of pig-iron will be on the advancing scale again, and will be three years reaching the highest price in 1891. This will be a period of money making in the iron business, and these will be three years of general prosperity in all departments of trade and industry.

After 1891 the price of pig-iron will decline for six years, and these declines will again be disastrous to this business; in fact, all business will be on the same retreating road to hard pan, as they are in this year, and will be in the next, as the iron and other trades and industries after 1891 will be under the effects of a commercial and financial revulsion. ~~as~~ shown hereafter under the head of "Panic."

The writer now claims that his showing in the preceding pages of past prices in pig-iron the cycles between high and low priced years and their periodical return, has a legitimate bearing upon the future, that no one can gainsay, and no human knowledge can contradict; the predictions are based upon sound analogy; their fulfillment is demonstrated to a certainty; and that time will surely verify the prophecies.

The changes of the ups and downs in prices and cycles in the iron trade are periodical and not hap-hazard, and succeed each other in a gradual and natural order.

After the price of pig-iron has declined from the high price of fifty dollars per ton down to as low as thirty dollars per ton, the saying that then is the time to invest in the iron business, is the "*ignis fatuus*"-that has swamped the iron men of this country in not having a clear conception of the number of years in which the declines continue.

We can not determine when the price of any product or commodity is at the highest or lowest by the knowledge of when prices begin to rise or fall; we can only determine that by the number of years in the ups and

downs comprising each different cycle in high and low prices.

I will record here some axioms which must be admitted, because they are self-evident.

That prices are high when they are above the cost of production on a declining market.

That prices are low when they are below the cost of production on an advancing market.

When the price of an article declines below cost, production will diminish until demand increases and prices advance.

When the price of an article advances above cost, production will increase until demand ceases and prices decline.

And that the cost of production is the wages of labor, interest on capital, and wear of land and machinery.

When the price of pig-iron is thirty dollars per ton, it may be either high or low, and like a certain game with cards, the points depend upon the trumps that are out.

If the cost of production is above on a declining market, then thirty dollars per ton is high ; if the cost of production is below on an advancing market, then thirty dollars per ton is low.

The ratio of advance in price exceeds the

ratio of increase in cost of production, and there is money made very fast in the iron business during the 2, 3, and 4 years of advance in price.

On the other hand, the ratio of decline in price exceeds the ratio of decrease in the cost of production, and furnaces lose money on the 5, 6, and 7 years alternately of the decline in price, unless wages and expenses are curtailed in time.

To apply our CAST IRON RULE, when the price of pig-iron has been as high as fifty dollars per ton, the price in the succeeding years has invariably declined to twenty dollars per ton; and, *vice versa*, when the price has been as low as twenty dollars per ton, the price afterward, in a certain number of years, has advanced as high as fifty dollars per ton.

The iron business is a very uncertain trade for persons to engage in who are not acquainted with the number of years in which the price advances, as they are only from two to four years, while the declines are from five to seven years.

The enormous home production and excessive importation of foreign iron in 1871 and 1872 produced a break in prices, and with the over production of 1873 and 1874, and the

panic of 1873, the iron trade is again prostrated.

To persons not acquainted with the rules by which these changes occur, as regulated by an overruling providence, it is to them a wonderful illustration of the peculiarities of trade and the uncertainty of prices, as attempted to be explained by our limited knowledge of supply and demand.

In the spring of 1872 the country was prosperous and advancing beyond all past history; railroads were extending their lines across the continent in every direction, marking the most gigantic railroad expansion the world ever beheld; creating an unprecedented demand for iron, giving an impetus to the manufacture thereof, that had no parallel in the history of this or any other country, running the production to nearly three millions of tons in that year. All at once comes a snap and a crash; a reaction sets in so speedy and terrible, so general and decided, that we become amazed at the mysterious workings of this trade and the decrees of an all-wise Providence.

The decline in the price of pig-iron since 1872 has been over fifty per cent.

Iron masters are crying out, "Give us pro-

tection or we are ruined," while the silent whisper to "reduce the product" is not willingly and generally heard. The Secretary of the Iron and Steel Association reports that out of 701 furnaces on the first of February, 1874, there were 398 stacks out of blast; nevertheless there were fifty new furnaces completed in 1873, thirty-eight in 1874, and forty-six stacks in the course of erection, and other new furnaces projected in 1875. What blindness and what folly !!

The remedy at present is not to be found in a tariff alone on foreign importation; a home competition is here in our midst more formidable than all foreign competition combined. **SEVEN HUNDRED FURNACES**, some of which cast *one hundred tons of metal per day*, are ready to swell the home production on the first show of an advance in price, beyond the most extraordinary consumption, and producing stagnation more disastrous than ever.

It is a hard alternative for furnace men to be compelled by the "logic of facts and events," to blow out their furnaces and suspend business for so long a time, but to be "forewarned is to be forearmed;" is it not the part of wisdom and policy to stop before the capital is gone and stock unprofitably consumed?

We have not seen, in our experience or observation, neither do the facts and records of modern history show, a permanent advance until after five years from the highest price; and is the present decline and cycle to be an exception to all others? and in the face of, and succeeding the greatest supplying capacity the world has ever witnessed? and when other manufactures and trades, and all railroading is depressed and unprofitable, and when all Europe stands ready to supply any demand at pauper prices outside of this country?

VERILY, the hand-writing is upon the wall and so plain it needs no magi to decipher what it means.

HOGS.

The history of the Hog CROP and its various manufactures and products is intimately connected with the growth and progress of the CORN CROP, and the price of one now generally fluctuates with the price of the other.

The packing of pork before the era of railroads was confined to very narrow limits, and there was not much value placed upon the hog at that period, as will be seen by the fol

lowing sketch written by Charles Cist, of Cincinnati, Ohio:

"Hog raising has always been a profitable, and therefore a favorite department of farming in what was formerly called the West, but which now constitutes the great center, as respects population, of our rapidly expanding republic. The rich harvests, to be had simply for the gathering, yielded by the oak, beech, hickory, and other trees of our forests, popularly termed mast, formed, to a great extent, for many years, fattening food for swine. The roots in the woods, with the natural grasses, supplied subsistence during the spring and summer months, so that the sole expense to the farmer, in raising hogs, was the feeding of those too young for market, and of those reserved for stock and for increase, at the cost of the Indian corn necessary for their winter sustenance. In early days, and before the introduction of railways, this cereal would not repay the expense of transportation to market, and therefore hardly entered into the consideration of what it cost to raise hogs. In fact, taking into view the prolific character of the animal, and the small amount of labor and expense involved in its care and cure, it was the general impression in the West that it

cost nothing for a man to make his own pork and for a long time vast quantities of slaughtered hogs were sold in this region at prices ranging from seventy-five cents to one dollar per hundred weight, and considered sufficiently remunerative at these rates. The writer has seen in the southern portion of Illinois, and within twenty-five miles of land carriage to the Ohio, immense quantities of Indian corn offered at six cents per bushel; yet at this low figure the grain would not bear transportation to the river.

"The farmer, unless in the neighborhood of a distillery, was compelled to feed his crop to his cattle or hogs. Even at a much later date, between the scarcity of timber for fuel, and the low price of corn, large quantities of the latter article have furnished fuel in the prairie region of the State referred to.

"As the cultivation of the country opened and the wood ranges became more restricted, it was found that it paid better, while it was more convenient, to feed the hogs on corn than to turn them out to the woods, as they grew faster and increased more rapidly in fat as well as in flesh, while the quality both of meat and lard, was thereby greatly enhanced in value. At this period, for want of good

roads, grain to a limited extent only was sold to the whisky distillers; its low price not permitting it to be carried by wagons to the distilleries unless from short distances. Under these circumstances pork packers commenced at various points in the West for the supply of the eastern markets, while the rapid increase of hogs kept pace with the corresponding improvement of the western country and the enlargement of its corn crops.

"Then came the era of railroads. It was at once seen that hogs could be delivered at market points, either East or West, at less expense, in shorter time and in better condition, than they had hitherto been taken by droves. There was also no giving out of the hogs on the route. The natural result was to give a new impulse to the raising of swine; and from that period the hog became one of the most important staples of the country."

In examining the history of prices for hogs the past half century, we find that the price ruled very low up to the year 1830. This was the period when there was so little demand in Cincinnati for any portion of the hog other than hams, shoulders, sides and lard, that the heads, spare ribs, neck pieces, back bones, etc., were regularly thrown into the Ohio river to

get rid of them. Afterwards, in 1835 the products of the hog became more valuable, and in the year 1836, in the city of New York, the price of mess pork advanced to thirty dollars per barrel, and lard to eighteen cents per pound. (See Finance Report of 1863.) This year was a very high priced year for hogs and their product. I have not been able to get the average price for fat hogs at this time, as there were probably none compiled; therefore we are compelled to take the price of product as we find it given by official authority. After the year 1836 the price of product declined each year to 1842. Mess pork was quoted in New York at six dollars and seventy-five cents per barrel. The highest quotation in the decade from 1840 to 1850, was in the year 1847, the great famine year in Ireland. Mess pork in New York City was sixteen dollars per barrel, eleven years from the high prices of 1836. Mark this!

I have not been able to collect reliable yearly average prices for fat hogs prior to the year 1855, as there appears to be no sources accessible to obtain them; and as I have not the evidence to show any noticeable periodicity or regularity existing in the return of low prices before that time, I therefore com-

mence my table of averages in the year 1855, which is twenty-one years ago, and forty years since 1836, the commencement of our cycles in high prices for product and hogs.

Table of average prices for fat hogs at Cincinnati, Ohio, since 1855, and the whole number of hogs packed in the West during the winter seasons of 1849, '50 to 1874, '75, inclusive, as compiled by the *Cincinnati Price Current*.

YEARS.	NO. OF HOGS.	PRICE NET.	GROSS.
1849	1,652,220	.	.
1850	1,332,867	.	.
1851	1,182,846	.	.
1852	2,201,110	.	.
1853	2,534,770	.	.
1854	2,124,404	.	.
1855	2,489,502	\$6.05	\$4.84
1856	1,818,468	6.23	4.99
1857	2,210,778	5.16	4.13
1858	2,465,552	6.58	5.27
1859	2,350,822	6.21	4.97
1860	2,155,702	5.97	4.78
1861	2,893,666	3.28	2.63
1862	4,069,520	4.45	3.56
1863	3,261,105	7.00	5.60
1864	2,422,779	14.62	11.70
1865	1,785,955	11.96	9.57
1866	2,490,791	7.52	6.02
1867	2,781,084	8.25	6.60
1868	2,499,873	10.51	8.41
1869	2,635,312	11.82	9.46

YEARS.	NO. OF HOGS.	PRICE NET.	GROSS.
1870 . .	3,695,251 . .	\$8.25	\$6.60
1871 . .	4,831,558 . .	5.45	4.36
1872 . .	5,410,314 . .	4.90	3.92
1873 . .	5,466,200 . .	5.73	4.58
1874 . .	5,566,226 . .	8.74	6.99

Average price at Cincinnati for 20 years is \$7.43 net or \$5.94 gross.

The difference that Cincinnati pays above the average for the West is as follows:

	1872	1873	1874
Cincin'ti net.	\$4.90	\$5.73	\$8.74
West "	4.65	5.43	8.33
	—	—	—
	25	30	41

These dates refer to the years in which the crop was made. The packing season commences in November and ends in the following March. It is shown in the table that the average price for hogs was greater in 1856 than in 1855, but less in 1857. This depression in the advance was produced by the panic, however, in 1858, the general course of price asserts itself with an average higher than either of the three years preceding it. After the high priced year 1858, the average starts out on the descending scale, declines in 1859, '60 and '61, making three years of declines with an average in 1861 of two dollars and

sixty three cents per hundred weight gross. This year was the beginning of the war, when farmers were almost compelled to give away their hogs on account of the low prices that prevailed.

It is a well known fact to the farmers and packers, that when the price of hogs advanced in 1862, '63 and '64, that all parties made money; and that these years of advances culminated in 1864 with an average of eleven dollars and seventy cents per hundred weight gross, which is the highest yearly average price ever paid in this country for hogs. In the years 1865 and '66, the average price declines, making only two years of decline after 1864. In 1867 the price takes the ascending scale,—higher in 1868, and still higher in 1869, with an average of nine dollars and forty six cents per hundred weight gross, making three years of advance after 1866. After the year 1869 the price took the descending scale; lower in 1870, '71 and '72, getting down to the average of three dollars and ninety cents per hundred weight gross, making three years of decline after 1869. In the year 1873 the price advanced notwithstanding the great revulsion in trade of that year, and continued to advance in 1874; and the average will be

higner in 1875 than in 1874, making three years of advances since 1872.

Now let us go back in review and form our cycles. Commencing with 1836, a high priced year in product, we find the next high priced year in product to be the year 1847, eleven years from 1836. Extending this eleven years forward we have the high priced year 1858; our commencing year in high average prices for hogs. Extending the time eleven years further gives us the high priced year 1869, making three eleven year cycles in high prices.

Again let us return to the year 1850, a low priced year for hogs, and add eleven to that year, and we have the year 1861 a low priced year; add eleven again, and we have 1872, a low priced year, making three eleven-year cycles in low prices.

But we are traveling too fast, and we must return to 1847, a high-priced year. After this year the price declined three years to 1850, and then advanced three years to 1853, making a shorter cycle of six years in high prices; also after 1853 the price declined two years to 1855, and then advanced three years to 1858, making a cycle of five years in high prices, and these two shorter cycles from 1847 to

1858, making an eleven year cycle. After 1858 the price declined three years to 1861, and then advanced three years to 1864, making a short cycle of six years in high prices. Also after 1864 the price declined two years to 1866, and afterwards advanced three years to 1869, making a cycle of five years in high prices, and completing another long cycle of eleven years. Now, again, after 1869 the price declined three years to 1872, and then advanced three years to 1875, making a cycle again of six years in high prices, and completing one of the short cycles composing the present eleven year cycle, which will end with a short cycle of five years in the year 1880. Returning to 1850, the next low priced year was 1855, making a cycle of five years in low prices. After 1855 the next low priced year was 1861, making a cycle of six years in low prices. Again after 1861 the next low priced year was 1866, making a cycle of five years in low prices. After 1866 the following low priced year was 1872, making a cycle of six years in low prices.

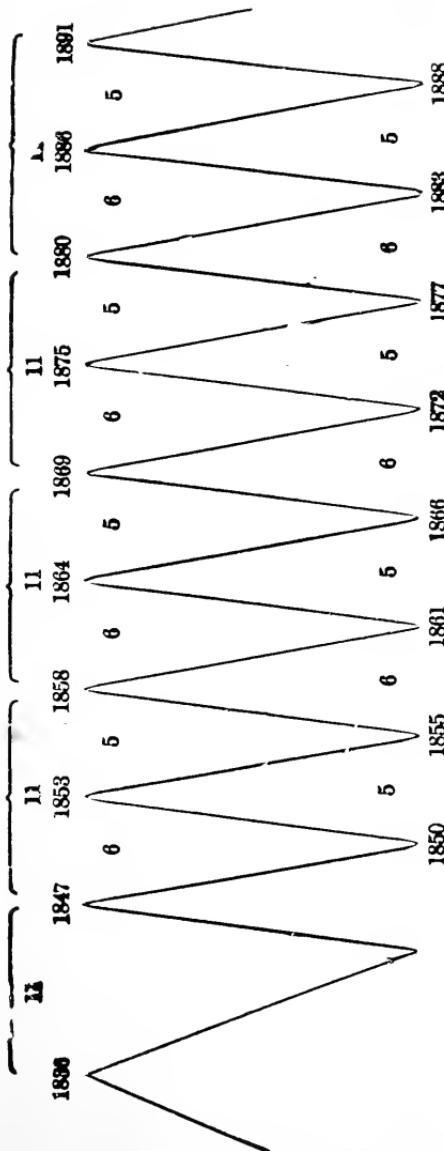
It will be noticed that the short cycles composing the eleven year cycles in high prices, since 1847, have been alternately six and five years; and the short cycles in low prices, since

1850, have been alternately five and six years.

The axiom, "History repeats itself," implies a cyclical movement in human affairs, and as it is a generally received opinion that every thing moves in cycles, especially in nature, we are forced to predict, judging the future by the past, that in the years 1876 and '77 the price of hogs must decline in the average, so as to fill the required number of years necessary to complete the present five and eleven year cycles in low prices ending in 1877; also after two years of decline there must be three years of advances to the year 1880, to complete the next five and eleven year cycles in high prices, and therefore demonstrating to a certainty and to the comprehension of all, the fulfillment of our second series of prophecies.

On the following page is a scale of years to enable the reader to see the different cycles in their order, also the ups and downs in prices for the past and in the future.

This scale shows the years of lowest and highest prices for the hog and its products since 1836, coming down in five and six year cycles after 1847. At the top of the scale are the highest priced years, 1836, 1847, 1853, 1858, 1864, 1869, and 1875 for the past, and



PAST.

UPS.	DOWNS.
1856	1859
1857	1860
1858	1861
1862	
1863	1865
1864	1866
1867	1870
1868	1871
1869	1872
1873	
1874	
1875	

FUTURE.

1878	1876
1879	1877
1880	
1884	1881
1885	1882
1886	1883
1889	
1890	1887
1891	1886

1880, 1886, and 1891 for the future. At the bottom are the lowest priced years, 1850, 1855, 1861, 1866, 1872, for the past, and 1877, 1883, and 1888 for the future.

We have now passed out of the cycle of six years in high prices, the year 1875 closing this cycle. The next cycle in high prices will require five years ending in 1880; at that time the price of hogs will be high.

We are also in the cycle of five years in low prices, this cycle ending in 1877, when the price of hogs will be low, and farmers complaining about the prices they are compelled to accept for their hogs. Pig-iron will also be at a low price at that time, placing agriculture and manufacture at a low ebb; prices low all round will make "hard times" and "dull trade."

After 1877 agriculture and manufacture will go hand in hand, the price of hogs and pig-iron will be on the ascending scale, business in all departments will improve up to the year 1880 and 1881, after that time prices will decline and advance alternately in each different branch of trade, until the year 1891, when general business will culminate throughout the country, especially with iron and

hogs, two of the most important and leading branches of trade.

It is to be observed that the price of hogs do not go up and down with the number of hogs packed. By referring to the column in 1858, a high priced year, the packing exceeds any previous year with the exception of 1853. In 1862 the price advanced with the enormous packing of four millions of hogs. In 1869 the price advanced, while the packing exceeded that of 1868; and also the same may be said of 1873 and 1874 over the packing of 1872.

The price of hogs invariably advance three years in succession. In the year 1859 the price declined, while the packing was short of 1858. Also in 1860 the price declined, while the packing was short of 1859. In 1865 the price declined, while the packing was short of 1864 600,000 hogs.

In some of the years, as the packing increased or decreased in number, so the price advanced or declined; an increase of packing diminished the price, and *vice versa*. Therefore it is not safe to rely too much upon results based upon the number of hogs packed.

The price of hogs decline two and three years alternately in the cycles of low priced years.

The aggregate number of hogs in all the states and territories, as estimated by the Department of Agriculture at Washington in 1873, was 32,632,000; in 1874, was 30,860,900. The packing in 1873 and 1874 was about one-sixth of the whole number in each year. Chicago packs more pork than any city in the United States or in Europe. Total number packed in 1874 was 1,690,348 hogs—nearly one-third of the whole packing of 1874.

As the winter packing of hogs is only about one-sixth of the total number produced, it is an important question what becomes of the other five-sixths, and what proportion is annually killed. I must acknowledge this to be a task, to undertake to make out such an account by any system outside of the art of "double-entry book-keeping." Almost every farmer's family, for domestic consumption, kill from one to twenty or more hogs every year, and there has never been any statistics compiled for a record of the number thus slaughtered.

There were engaged in farming, according to the census of 1870, 5,922,471 persons, about one-sixth of the population; if each farmer had killed on the average but one hog, the aggregate would exceed the total winter packing for

commerce of 1874. Then we must consider the number of hogs that have been slaughtered by butchers in the cities and towns, the number that annually die with disease, and also the number that is reserved for stock and for increase. From these facts we can understand why the price is not altogether governed by the number of hogs packed in our large cities; since 1868 the number of hogs packed has yearly increased.

Every farmer, feeder, drover, and packer, should know the years in which the price of hogs are to advance or decline. There are seldom any two years in succession in which the average price ranges the same. In the table of averages, there are two years in which they are the same, 1867 and 1870; however, they are three years apart, one on the advance, the other on the decline.

In the years 1858, 1864, and 1869, a great many persons made money on hogs, and, elated with good fortune, were tempted to try again in 1859, 1865, and 1870; and through ignorance of the workings of the ups and downs in prices, were caught with one dollar corn-fed into six dollar hogs, and they lost the profits and gains of the preceding years, and no doubt the same will be repeated by

others in 1876; as 1875 was a profitable and a high priced year. We see continually some of our best traders "caught out in the wet," and to some persons it will always require a Columbus to show them how the egg is to stand upon its end.

The price that hogs will bring each year can be approximated by the course of the past averages; however, it is governed by supply and demand, and state of trade in reference to the past commercial revulsion and the future coming crisis and the condition of the currency. Periodical revulsions do not in their effects change the general course of prices in their cycles, but they have a temporary influence to depress prices below their natural and proper position, and an after influence to keep down the averages to lower limits. If the people would only learn such years and stay out of this business, or confine themselves to smaller trade, when these declines in prices are to take place, especially after panic years, they would not complain so much of "hard times" and "high taxes."

Farmers think that packers do not pay a sufficient price for hogs, when prices are on the decline.

Packers think they are paying too much for hogs, when prices are on the advance.

Now in both cases, *farmers and packers* are ~~at~~ a loss to know what the future development of prices will be.

In the farmer's case, he receives all there is in the market, whether it covers cost or not, and the packer loses money on the further decline.

In the packer's case, he pays the market price, and makes money on the further advance.

It is an established fact that the quantity of hogs in this country is ruled and governed by the current price of corn.

In the commencement of the periodical advance in the price of corn, and until it reaches the highest price, large shoats are marketed and butchered, the hogs that should be wintered are slaughtered; small farmers and feeders sell their stock hogs in the fall and winter, to large feeders and speculators. In consequence of hogs being massed they get overlaid by large numbers bedding together during the cold and inclemency of the winter; and without the use of the kitchen-slops, and by the use of soft, frosted, and rotten corn, peculiar to these years, they become diseased.

and therefore more die by cholera, thunips, and other diseases.

On the other hand when the price of corn begins its periodical decline, and until it gets to the lowest, farmers and small feeders keep their stock hogs, and by the more equal distribution in smaller numbers, hogs live, are more healthy and plenty. Farmers think it will pay better to feed their corn to stock hogs, and raise more young hogs, than to sell their corn on a declining market; but in this they are mistaken, as they are unknowingly producing cheap pork for the whole world, by an over production, the surplus of which has to go out of the country for consumers.

The amount of hog products exported corresponds inversely with the prices; whenever we export large amounts they are at low prices, and when prices are high our exports are inconsiderable.

To sell corn and hogs at the market price in the fall to others who have not studied the chances, the production in the years of decline is made profitable by them who know when to come in out of the storm. When the periodical advance in the price of hogs is approaching, the butchers, drovers, and packers secure contracts by subtle arguments with the

farmers for their hogs, and as a consequence the farmers are not benefited to the full extent of the advance, as they are induced to engage too soon, therefore they lose the opportunities which belong to them. It is the usual expression and opinion that when a farmer has his hogs fat, that then is the time to sell; this depends upon what cycle of seasons and prices are ruling in the markets of our country. If on the periodical decline, after a year of short crops and high prices the previous year, such as 1858, '64, '69, and '75, then would be the time to sell. If on the periodical advance after a year of good crops and low prices the previous year, such as 1861, '66, and 72, then if you have a little "speculation in your eye," it no doubt would be a good time, and pay you to hold for a rise.

As buyers and sellers of products we can only be gainers by scarcity and high prices, and that only for that article which was obtained when plenty and at low prices.

Speculating in hogs is generally with the majority a matter of *heads and tails*; when successful they are owlish wise, and of course know all about it; but when tails, then the "devil is in the *hog*." It is a most significant fact in these price cycles, and a confirma-

tion of the theory that *God is in prices*—that the price of corn and hogs could advance in the years 1873, '74, and '75, during and immediately succeeding the great revulsion in trade of 1873, and when all business was becoming depressed and prostrated in manufacturing industry, trade unions striking to maintain former rates, mills and furnaces closing their doors, merchants complaining of dull times, millions of laborers and mechanics idle, and no work to do. Yet we say, notwithstanding all this, corn, hogs, and provisions have advanced in price in these years; for the cycle of six years in high prices from 1869 to 1875 was to be filled, and it would have been contrary to the order and laws of nature to have been otherwise.

CORN.

This cereal is known as the largest of all the grain crops, and one of the most useful products known to man. It is the chief basis for provisions, and a very important element in our breadstuff supplies. Notwithstanding the greater value of wheat per bushel, corn is the great item in the prosperity of the West, and upon the good price of corn depends the welfare of the farmer. A large and over-estimated

corn crop, that reduces the price to a nominal sum, makes farmers feel poor, and in turn reacts upon merchants and manufacturers, and brings about dull trade.

Our agricultural products and stock are the basis and support of all commerce, and of all business and trade in every department of human activity, and upon which all other industries rest. Their scarcity or abundance depends upon the seasons, and mostly require a year to bring them to perfection and maturity, while manufactured commodities can generally be produced in any quantity, and in a much shorter time.

The commerce of the world is so dependent upon agricultural productions, that to ascertain their probable annual amount, has become an object of the greatest utility. A scarcity or abundance of crops affects the exchanges of the world, and tends to forecast future prices, and to give some clue to future production.

Estimated yield of corn in the United States from 1840 to 1874—the years 1862, '63, and '64, for Northern States only—and average prices from 1862 to 1874 inclusive, collected from agricultural and statistical reports.

YEARS.	PRODUCTION.	AVERAGE PRICES. CTS
1840	377,000,000	.
1850	592,000,000	.
1860	838,000,000	.
1862	533,000,000	34
1863	397,000,000	69
1864	530,000,000	99
1865	704,000,000	46
1866	867,000,000	68
1867	768,000,000	69
1868	906,000,000	62
1869	774,000,000	75
1870	1,094,000,000	54
1871	991,000,000	48
1872	1,092,000,000	39
1873	932,000,000	48
1874	854,000,000	65

If we could have yearly average prices of corn for the whole country since 1825, we would find that they would show the same regularity in ups and downs that they do after 1862. The Finance Report of 1863 in giving prices for the New York markets (which are a long ways from the corn producing states) shows that prices were very high in 1825, '26, in 1836, '37, in 1847 and in 1858. The statistics of the Department of Agriculture show that the average price was very high for 1864; in fact higher than ever before in this country; and again the price is at the top figures in

1869, as can be seen in the table of yearly average prices for corn. The average price for 1875 will be high, and it is the next high priced year after 1869. These high priced years correspond with the price of hogs. These years are the highest priced years since 1830, making eleven year cycles up to 1858, afterwards in short cycles of 6 and 5 years to 1864, '69 and '75. The next high priced year for corn, which is in the future, will be the year 1880, eleven years from 1869, and five years from 1875.

We find the cycles of eleven years in low prices by taking the quotations in the Finance Report of 1863 for the New York markets, and commencing in 1828, a low priced year, running to 1840, then to 1850, and to 1861; afterwards according to the yearly averages, as shown in our table to 1872, the last low priced year. The next low priced year coming down to five year cycles, will be in 1877, and the one following eleven years from 1872, will be 1883.

The same scale of prices for hogs will answer for corn. When the price of hogs has been high the price of corn has been high, and the same when the price of hogs has been low, the price of corn has been correspondingly low. After 1858, high and low priced years run in

the same order of six and five year cycles in the price of corn that they do for hogs.

Now judging the future by the past, and looking to history to repeat itself with approximate accuracy in detail, it is our judgment upon which we predicate this prophecy, that the average price of corn up to the year 1891, will advance and decline with the average price of hogs, as shown in the scale of cycles in the price of hogs; and that the general advance and decline in the price of corn, will precede the general advance and decline in the price of hogs. This is inferred from the fact, as before stated, that the current price of corn governs the quantity of hogs in this country.

The price of hogs, if \$2.50 gross, on the farm, will realize to the farmer 25 cents per bushel for his corn.

\$3.00	Gross,	30 cents per Bushel.
4.00	"	40 "
5.00	"	50 "
6.00	"	60 "
7.00	"	70 "
8.00	"	80 "
9.00	"	90 "
10.00	"	100 "

The average prices gross for hogs compared

With the average prices for corn per bushel since 1862, in which the fact can be noticed that the price of one follows the price of the other in the ups and downs since the year 1868 as regularly as evening follows morning.

	HOGS, GROSS.	CORN PER BUSHEL.
1862	3.56	34c.
1863	5.60	69
1864	11.70	99
1865	9.57	46
1866	6.02	68
1867	6.60	69
1868	8.41	62
1869	9.46	75
1870	6.60	54
1871	4.36	48
1872	3.92	39
1873	4.58	48
1874	6.99	65
1875		

Average prices for 1875 not collected and published in time for this book.

The corn crop never falls short in the growing corn as much as one-half, but a large crop can be cut short by frosts, floods, damp, etc., in the amount secured. It is not so much in the failure of the crop, as in that which is done with it.

The rational explanation of the partial
6.

failure of the corn crop in any one year, may be found in the peculiarities of the seasons. The number of acres planted is no criterion of future production and prices.

We were well informed in the summer of 1874, by the Agricultural Bureau at Washington, the commercial bulletins of the East, and crop reporters of the West, that there were two million more acres in corn that year than in the year 1873. Some of the eastern papers were clamorous that the crops of 1874 were simply enormous, and that prices would rule very low; therefore the "bears" of the East commenced to fix the price of corn on the supposition of very great abundance, while the merchants began to grow concerned about their stocks of merchandise, for fear the farmers in their poverty would not be able to take the usual amount. Now what was the corn crop and price for 1874, compared with 1873, taking the estimates of the Department of Agriculture for production and prices, as they are the only statistics at my command.

1873,	Production, 932,000,000	Price, 48c
1874.	" 854,000,000	" 65c.
	78,000,000	17c.

A decrease of seventy-eight million of bushels in product, and an increase of seventeen cents in price.

This surely shows if there can be any dependence placed upon these statistics, that seasons make large or small crops, and that future prices can not be foretold by the acreage planted or sown.

The number of acres in corn and production in all the states and territories in the year

1872	was	35,526,836	product	1,092,000,000
1873	"	39,197,148	"	932,000,000
		3,670,312		160,000,000

This statement shows an increase in area planted of three million six hundred and seventy thousand three hundred and twelve acres, while there was a decrease in product of one hundred and sixty million of bushels, with an advance in average price in 1873 over 1872 of nine cents per bushel.

This increase in area planted is equal to the whole number of acres in corn in 1873 in the great state of Iowa, the second state in the union for corn. With this very large addition in area for corn, it is a surprising fact

that the number of bushels produced was one hundred and sixty million of bushels less than the year before.

Is it any wonder that some operate upon an overestimate, and others on an underestimate, when we see that the seasons have so much influence to make large or small crops, and also when our knowledge is so limited in regard to meteorological phenomena, which repeat themselves in well defined and established periods?

It has been argued, and is proverbial, that it does not make any difference to the farmers whether they raise large or small crops in the aggregate; what they lose in price they gain in quantity, and what they lose in quantity they gain in price.

Now let us see if statistics of agriculture will carry out this assertion. Let us take the last cycle of six years between high prices of which we have the yearly average prices, for all the states and territories. Commencing with the high priced year 1869, and ending in 1874, the year before the next high priced year, giving us three years of small production and high prices, and three years of large production and low prices.

Years in which were the smallest number of bushels produced and highest prices:

1869	774,000,000	75c.	580,500,000
1873	932,000,000	48c.	447,310,000
1874	854,000,000	65c.	555,100,000
	<hr/>		<hr/>
	2,560,000,000		1,582,960,000

Years in which were the largest number of bushels produced and lowest prices:

1870	1,094,000,000	54c.	590,760,000
1871	991,000,000	48c.	475,680,000
1872	1,092,000,000	39c.	425,880,000
	<hr/>		<hr/>
	3,177,000,000		1,492,320,000

In the large crop years of 1870, '71, and '72, there was produced six hundred and seventeen millions of bushels more of corn than in the small crop years of 1869, '73, and '74, and there was realized in these small crop years, by the farmers, ninety million and sixty-four thousand dollars more money.

This statement is as clear to the world as the light from a *kerosene* lamp, if there can be any approximate correctness in the estimates of the Department of Agriculture, that it does make a difference, and that all the labor employed and exerted, and expenses incurred

to produce and handle this six hundred and seventeen millions of bushels more of corn in 1870, '71, and '72, than in 1869, '73, and '74, was so much labor and money literally thrown away so far as the farmers' direct gains were concerned, while they should have raised twenty millions of bushels more corn to have realized the same money that was realized out of these short crop years.

Let us make a comparison by taking the years in this cycle of the greatest extremes in production :

1869 . . .	774,000,000	75c.	58,050,000
1872 . . .	1,092,000,000	39c.	42,588,000
	<hr/>		<hr/>
	318,000,000		15,462,000

There were produced in 1872 three hundred and eighteen millions of bushels more of corn than in 1869, and there were realized fifteen million four hundred and sixty-two thousand dollars less money.

As corn was cheap in 1872, and the farmers fed a great portion of it to hogs, let us see how they came out with hogs :

1869 .	2,635,312 hogs packed	9.46,	24,930,051
1872 .	5,410,314 " "	3.92,	21,208,430
	<hr/>		<hr/>
	2,775,002		3,721,621

In 1872 there was sold to packers two million seven hundred and seventy-five thousand and two hogs more in 1872 than in 1869, and the farmers realized three million seven hundred and twenty-one thousand six hundred and twenty-one dollars less money.

It is evident that in the years of decline to lower prices, a large over-estimated yield is not the boon desired by the farmer, and it is undoubtedly to the interest of the farmer to use more of that energy that relaxes no effort; the perseverance that never grows weary in striving to produce more corn in the years of advances towards higher prices.

The farmer, however, is placed in the same category in respect to low prices that the manufacturer is placed; if the farmer has to take a low price for his grain and stock at intervals, he is compensated in being enabled to purchase manufactured commodities in their low priced years, therefore alternately each has its years of high and low prices that either can take advantage of.

It is to the interest of the farmer not to be governed too much by present demand, and not to continue in the course it directs too long. The demand can be calculated—the population does not always vary with the

seasons; it is the supply that makes generally the fluctuations in prices. It is in the nature of things that the farmer should receive the benefit of three years advance in his corn and hogs in every cycle of prices, and it would be injustice to him if he should be compelled to lose his labor and toil by the wolfish and bearish cry of enormous crops and low prices.

The ups and downs in prices for corn, hogs, and pig-iron, and the activity and depression in general trade, are no doubt caused by an over and under production for a term of years, and the writer has an idea that these cycles in prices, which are so well defined, and repeat themselves with such surprising accuracy, are connected in some way with the cycles of nature, which are fixed because they are produced by regularly and permanently fixed causes, which are constant and uniform.

The peculiarities of the weather and atmospheric currents, producing these extremes which are not conducive to large crops of either stock or grain, were seen in the polar current which came down from high latitudes on a course parallel to the Rocky Mountains in the year of 1874, producing the severest and most continued cold we have exper-

enced for eleven years, since the winter of 1863-'64, and in the summer of 1875 the tropical current or trade winds being deflected by the Mexican elevations, entered the great basin of the Mississippi, and again deflected by the mountain spurs in Alabama, they swept freely over the states of Kentucky Ohio, Indiana, Illinois, Missouri, and Iowa; the great corn region of the world, laden with the aqueous vapors of the Gulf of Mexico, and coming in contact and condensed by these cold northern currents, occasioned in June, July, and August of 1875 the greatest amount of rain-fall and most disastrous floods since the years 1836, 1847, and 1858.

In all the years prior to and including the high priced years in corn and hogs, we have had extremes in the weather. We had droughts in 1845, '46, and heavy rain-falls in 1847. The heat droughts and cold winters of 1856, '57, and '58 were very remarkable. The cold winters and droughts of 1863, '64, were unprecedented. Extremes of heat, rain, and droughts in 1868 and '69 were disastrous to the crops, and the same can be said of 1873, '74, and '75. The years 1879 and 1880 will again be years of extremes in the weather, producing short crops and high prices.

We have the information from high astronomical authority, that in the year 1880 we are to have a planetary combination as to three of the largest planets connected with our solar system, such as has not occurred before for about 2,300 years. These planets are all to reach the nearest point in their orbits to the sun at the same time, having the effect upon the earth of the most violent and wonderful changes in her atmospheric and magnetic system that has ever been recorded in history.

COTTON.

To give contemporary testimony to corroborate and verify our price cycles in corn and hogs, we will take the price of cotton, which grows out from the ground, and is affected by the weather. Corn and cotton occupy all the territory lying between the lakes and gulf. The cotton crop of the Mississippi would be affected by the floods at the North whenever we would have extraordinary rain-falls, or by unusual early or late frosts.

The price of cotton collected from Finance Reports of 1857, '58, '63, and '73, these prices being from the most reliable sources accessible in the absence of any other official record:

1821	16c.	1855	8c.
1822	16	1856	9
1823	11	1857	12
1824	15	1858	11
1825	20	1859	11
1826	12	1860	10 $\frac{1}{2}$
1827	10	1861	16
1828	10	1862	41
1829	10	1863	74
1830	9	1864	1 05 11
1831	9	1865	57
1832	9	1866	40
1833	11	1867	23
1834	12	1868	26
1835	16	1869	29
1836	16	1870	20
1837	14	1871	17
1838	10	1872	22
1839	14	1873	19
1840	8	1874	
1841	10	1875	11
1842	8	1876	
1843	6	1877	
1844	8	1878	
1845	5	1879	
1846	7	1880	
1847	10		
1848	7		
1849	6		
1850	11		
1851	12		
1852	8	11	
1853	9		
1854	9	1891	

These prices are for New York, which are sometimes ruled by speculators, and allowance must be made for their incorrectness.

The price of cotton is more influenced by the state of trade in the world than the price of corn and hogs, and therefore it does not follow the production in this country so close as the former products. Commencing in 1825, we find the price of cotton to be twenty cents per pound, the highest quotation in the scale—except during the war of rebellion; the next highest quotation is in 1836, eleven years from 1825. In looking ahead in the table, we find 1847 a high priced year in respect to other years preceding and immediately after that year. Again in 1858, we find a high price with the year before and the year after, all high priced years. Again, in 1869 we have the next high price after the war, the war coming in on a short cycle of six years. Now extending our price cycle of eleven years from 1869, it gives us the year 1880, our next high priced year for cotton, and running eleven years further, we have the year 1891, when cotton, corn, hogs, pig-iron, will be at a high price, and general business prosperous—up to that year.

PROVISIONS.

The year of the provision trade begins the first of November and ends on the last day of October.

The statistics are mostly made up commencing with November. However, with these statistics, as generally compiled, the writer in his observation does not lay much store by them.

How many hogs are annually killed is one of the mooted and unsolved problems of the day. The statistics of winter and summer packing of hogs are no doubt reliable, or as near correct as can be compiled, but the domestic killing by farmers and butchers is not collated for the public, which is a very important item to be considered in our provision statistics. Therefore we are forced to take for granted that a part is not sufficient without the whole.

It is almost an impossibility to procure full and reliable statistics of the exact amount of hog products in this country; and also what becomes of all the pork, bacon, lard, etc., that are prepared in this country to be consumed at home, or sold to commerce. And again, what the probable commercial demand will

be for hog products within the provision year. As there are so many elements entering into the probable supply and prospective demand, that we can not form a correct opinion in reference to the advance or decline in prices other than by keeping in view the advance and decline in the general course of prices for hogs from year to year.

The price of the hog products have heretofore followed closely to the price of hogs. Taking the last cycle in high prices for hogs, we find that after the high priced year 1869, the price of provisions declined in 1870, '71, and '72, reaching the lowest limit in the summer of 1872. In the year 1873, when the price of hogs advanced, provisions also advanced. Speculators are generally alive to these facts, and on these periodical advances they are ready and willing to operate, and invest as described in the following.

Chicago was well convinced in 1873, while hogs were advancing in price, that "then was the time in the price which, if taken at the advance, leads on to fortune," and her operators went in on a bull speculation, and not only bought up all the stock offered at current rates, and contracted for all prospective supplies for Chicago, but went to New York and

bought up all stock offered, and all options, also went into European markets, and bought back their own stuff that had been shipped early and at low prices, and when the combination had secured the control of the markets, up went the price to extraordinary figures for the first year of advances in hogs and provisions after the former declines. Chicago was happy, and her speculators pocketed millions of money.

This Western bull campaign in provisions, with its lofty Texian horns tossing the markets to such dizzy heights as it did in 1873, could not have been successful, with all its financial strength, in any of the years of decline in the price of hogs.

The speculators who may attempt in 1876 or 1877 to bull the provision markets, can no more thrive and prosper than can swamp fever live on the lofty peaks of Chimborazo. And if this speculation be undertaken in these years, these Western operators will realize that they are mistaken, and will be slaughtered in this business as surely as were the deluded Hindo pilgrims mistaken in the means of salvation, and uselessly slaughtered when casting themselves between the wheels of the car of Juggernaut.

PANIC.

Panics in the commercial and financial world have been compared to comets in the astronomical world. It has been said of comets that they have no regularity of movement, no cycles, and that their movements are beyond the domain of astronomical science to find out.

It has been admitted by astronomers that the comet of 1874, named Coggia, was a new comet and a stranger; one that has not visited this part of the universe before within the history of mankind. However that may be, the writer claims that *Commercial Revulsions* in this country, which are attended with financial panics, can be predicted with much certainty; and the prediction in this book, of a commercial revulsion and financial crisis in 1891 is based upon the inevitable cycle which is ever true to the laws of trade, as affected and ruled by the operations of the laws of natural causes.

The panic of 1873 was a commercial revolution; our paper money was not based upon specie, and the banks only suspended currency payments for a time in this crisis.

As it is not in the nature of things in each

succeeding cycle to operate in the same time and manner, the writer claims that the "signs of the times" indicate that the coming predicted disturbance in the business world will be not only an agricultural, manufacturing, mining, trading, and industrial revolution, but also a *financial catastrophe*, producing a universal suspension of specie payments, and the closing up of all the banks in this country.

It is not necessary to give a detailed account of the effects of disorderly banking in our colonial and revolutionary history, and the different panics prior to the war of 1812, to establish cycles in commerce and finance.

Such a history would fill many pages without answering the purpose of this book, and would be as intricate and difficult to understand as the prices of stocks and gold in Wall Street, as the eternal fitness of things at that time were on trial, and necessarily unsettled, so far as man could understand.

The war of 1812 was the period in the history of the United States of America when it was deemed a necessity for this country to become a manufacturing nation, as a balance wheel to maintain the prosperity of agriculture and commerce, and also to declare her in-

dependence forever from any nation upon the earth.

It is a doleful commentary upon the times that such calamities in the history of our country, as hereafter mentioned, should have occurred amidst a profusion of all the elements of wealth, prosperity in trades and manufactures, and independence in the arts and sciences.

It will only be necessary for the purposes of this book to state that the business of this country before, during, and after the war of 1812 had culminated in the year 1819, as commercial history will show; and that a reaction in business followed this year, the beginning year in our cycles of commerce and panic.

However, we deem it important to notice at this period the operations of banking in brief as a good criterion of the prosperity and adversity in general business, and the fluctuations in the activity of industry and commerce.

In the Report of Finances for 1854, '55, it is stated that from the adoption of the Federal Constitution in 1787 to the year 1798, no people enjoyed more happiness or prosperity than the people of the United States, nor did any

country ever flourish more within that space of time. During all this time, and up to the year 1800, coin constituted the bulk of the circulation; after this year the banks came, and all things became changed; like the upas tree, they have withered and impaired the healthful condition of the country, destroyed the credit and confidence which men had in one another, and inflicted on the people political and pecuniary diseases of the most deadly character.

The bank-note circulation began to exceed the total specie in the country in the years 1815, '16, and '17, and in the year 1818, the bank mania had reached its height; more than two hundred new banks were projected in various parts of the Union. The united issues of the *United States Bank*, and of the local banks, drove specie from the country in large quantities, and in the year 1819, when the culmination in general business had been reached, and contraction of the currency began to be felt, multitudes of banks and individuals were broken. The panic producing a disastrous revulsion in trade, caused the failure of nine-tenths of all the merchants in this country and others engaged in business, and spread ruin far and wide over the land.

Two-thirds of the real estate passed from the hands of the owners to their creditors. Volumes would be required to portray the horrors and sufferings produced by this general commercial and financial revulsion in business and trade.

A banker, in a letter to the Secretary of State, in 1830, describes the times as follows: "The disasters of 1819 which seriously affected the circumstances, property, and industry of every district of the United States will be long recollected.

"A sudden and pressing scarcity of money prevailed in the spring of 1822; numerous and very extensive failures took place in 1825; there was great revulsion among the banks and other monied institutions in 1826. The scarcity of money among the trades in 1827 was disastrous and alarming; 1828 was characterized by failures among the manufactures and trades in all branches of business. Lamentable and rapid succession of evil, and untoward events prejudicial to the progress of productive industry, and causing a baneful extension of embarrassment, insolvency, litigation, and dishonesty, alike subversive of social happiness and morals.

"Every intelligent mind must express regret

and astonishment at the occurrence of these disasters in tranquil times and bountiful seasons, amongst enlightened, enterprising, and industrious people, comparatively free from taxation, unrestrained in pursuits, possessing abundance of fertile lands and valuable minerals, with capital and capacity to improve, and an ardent disposition to avail themselves of the advantages of these great bounties."

After the year 1828 business continued to be depressed, vibrating according to circumstances until 1834, a year of extreme dullness in all branches of trade; after which our stock of precious metals increased very fast, business revived, and in the year 1835 and '36, the imports of gold and silver increased to an enormous extent; as the banks increased their reserves of specie, they also correspondingly issued bank notes—each increased issue of paper money led to the establishment of new banks.

The State banks that had numbered in 1830 only three hundred and twenty-nine, with a capital of one hundred and ten millions, increased, according to the treasury report, by the first of January, 1837, to six hundred and twenty-four, or, including branches, to sever-

hundred and eighty-eight, with a capital paid in of two hundred and ninety millions.

Mark the result! and culmination!! a panic!!! in the month of May, 1837, and suspension of specie payments by all the *banks*, and a general commercial revulsion throughout the country, involving the fortunes of merchants, manufacturers, and all classes engaged in trade, in consequence of a ruinous fall in prices. This year of reaction makes the second year in our panic cycles, and is eighteen years from 1819.

It is not necessary to go over almost the same history again to show that business was depressed, and trade was stagnant after 1837 down to the year 1843, and then up and down to the year 1850, a year of extreme dullness in all branches of trade and industry, after which year a change came, and business was again prosperous to the year 1857, when we again experienced a commercial and financial crisis and reaction, not only in this country but all over the world, making the third year in our cycles, and twenty years from 1837.

History repeats itself with marvelous accuracy in detail from one panic year to another. The general direction of business after the panic of 1857 was on the same downward

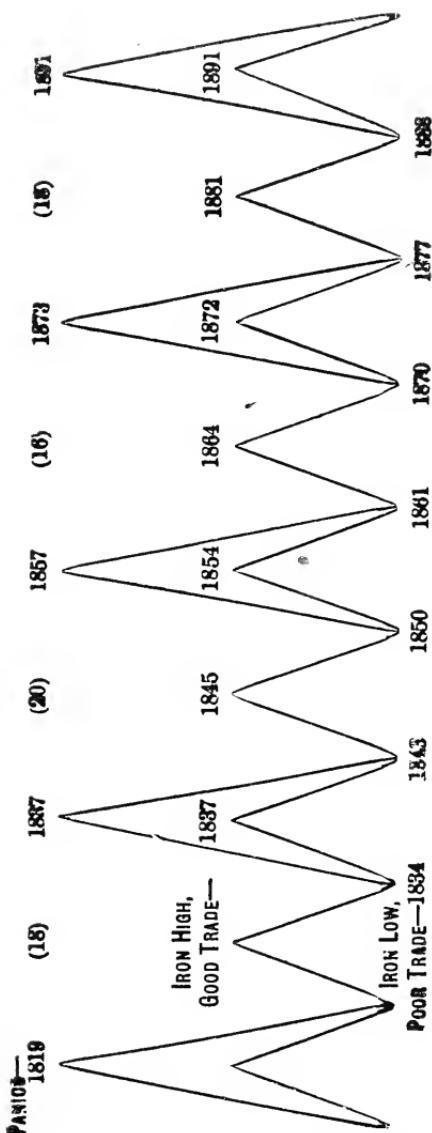
grade that had characterized the times after the panics of 1819 and 1837, until all business had culminated in depression in the year 1861, after which trade again improved, and was very active during the war of rebellion and up to the year 1865, when a temporary reaction set in; and, reader, let me observe here, that if then had been the time for a commercial revulsion and panic in money, the catastrophe would have been the most deplorable national calamity upon record. However, the cycle was not then complete, and the commerce and trade of the country continued to be semi-prosperous until 1870, after which year commercial activity was the order of the day, all branches of business and manufacture flourished and was prosperous; our railroad building was astonishing in the world in the years 1871, '72; but the end must come, and in September, 1873, we had the culmination—a crushing panic, and reaction in all trades, manufactures, railroads, and industries, which is still going on, and we have not yet reached hard pan.

These are facts of late history, and are so fresh in the recollection of the mind of the reader, that it is only necessary to refer to them. The panic of 1873 makes the fourth

year in our panic cycles, and sixteen years from 1857.

As to whether it is the paper money or the manufacturing and trading industries of the country, which call out and into use the paper money that produce these periodical inflations and contractions, by which trade is stimulated and deranged, and extremes in business activity is brought about, is a matter for the statesman and historian to ascertain and record ; it is only sufficient for our present purpose to point out the panic years, and to show that the preceding years were prosperous and profitable years in trade ; while the succeeding years, for a certain length of time, were years of depression and loss in business ; and we observe that since the business of the country has abandoned specie as a currency, and adopted paper money in lieu thereof, the manufacturing interests have attained larger proportions, and that there are more regularity and system in the return of the advance and decline in general business, and that the culminating years in activity and depression can be calculated and ascertained with greater certainty.

The CYCLES in PANICS with the cycles of PIG-IRON in the *same scale*.



The panics of 1819, '37, '57, and '73, during this period of years, stand out upon the pages of the history of this country in their magnitude compared with other panics, as the planet Jupiter compares with the lesser planets in our solar system.

Commencing with the commercial revulsion of 1819, we find it was eighteen years to the crisis of 1837; twenty years to the crisis of 1857; and sixteen years to the crisis of 1873—making the order of cycles sixteen, eighteen, and twenty years and repeat. The cycle of twenty years was completed in 1857, and the cycle of sixteen years ending in 1873, was the commencement of the repetition of the same order. It takes panics fifty-four years in their order to make a revolution, or to return in the same order; the present cycle consisting of eighteen years will end in 1891, when the next panic will burst upon us with all its train of woes.

Returning to the bottom of the scale, there we find the years of POOR TRADE and HARR TIMES; between panic years in the scale there are two low points, indicating two different times of depression in the iron business; these low points indicate the hard pan years in general business. Confidence after these years

especially after the latter, exercises its empire and casts overboard the incubus that has weighed down enterprise and energy; these years are the ending of the declines, the beginning of better prices and more prosperous times. The year 1877 is the next low point in our scale for price of pig-iron. This year will be a dull and unprofitable year for the iron trade, and also for general business.

The next high point will be 1881, a prosperous year for the iron business. However, in the year 1882, and the six succeeding years running to 1888, like the years after 1854 and 1864, we may look for squalls in the money market, blue-Mondays, black-Fridays, and tornadoes in banking, and the first financial flurry under the coming specie basis, which will have to rest upon a confidence artificially created and artificially supported, unless the currency is contracted to that minimum which would prostrate the industries of the country, paralyze the life and energy of our people, and produce convulsions and depressions only equaled in the years succeeding 1819, '37, and '57, filling up the pages of history with commercial and financial disasters, as they were filled up to 1834 and 1850. After the year 1888 the price of pig-iron will advance, all

business will be prosperous, corn and hogs will be on the advance, agriculture and manufacture will be active, all trades and industries will make money up to the year 1891, when we predict a panic which will not be confined to the United States, or this continent, but will sweep over the world like the panics of 1819 and 1857, and will be felt with equal severity in other countries.

Since 1819, panics burst upon us after the price of pig-iron had commenced to decline, and therefore it is not chargeable to a general panic as the direct cause of the price of iron taking the descending scale; the price declines without a general panic, (see scale after 1845, and '64,) and the same will be the case in 1881. In 1891, the commencement of the decline in the price of pig-iron will precede the panic of September or October of that year.

The writer claims that the iron trade is the chief and ruling industry in this country, if not in the world. Iron is the most useful of all metals, in fact the bone and sinew of our civilization, and the most important element of progress, as seen in the sewing machine, reaper and mower, spinning-jenny, power loom, steamboat, railroad, land and submarine telegraph. And as the iron industry raises or

falls in the scale of prosperity, so does the general business of the country. Pig-iron is our north star to guide us over the dangerous roads of commerce. It is the barometer of trade, and as the sudden falling of the mercury denotes violent changes in the atmospherical world, so does the periodical decline in the price of pig-iron indicate panic, depression, and general stagnation in business.

The United States of America will in the future surpass all the world besides, in the production of pig-iron and in the manufacture of its products; and if this trade could be established upon a firm basis, and the labor employed in dull times until it has accumulated capital, with the ingenuity, invention, and skill of the indomitable Yankee in the complex processes of its manufacture, with our abundance of cheap raw material, and by the aid of natural gas for fuel as lately and successfully applied at Pittsburg, a thorough knowledge of the ups and downs of prices in the markets and cycles of good and bad trade, this industry in this country in its colossal proportions, would in a short time, defy the world's competition, give us better and cheaper iron; give more steadiness to prices,

and greatly mitigate the consequences of periodical crises and depressions.

The highest and lowest prices in the cycles of high and low priced years for iron are in a progressive order, as reported in the monthly price tables of the Iron and Steel Association. The high prices commencing in January, 1837, going over to May in 1845, to June in 1854, to August in 1864, and to September in 1872. The low prices, commencing in April, 1834, reaching to July in 1843, to July in 1850, to October in 1861, and December in 1870; showing that each cycle extends a fraction over the required years. The low prices for 1877 will run into January of 1878.

The panic of 1819 began early in the year, and that of 1837 in May, and of 1857 in September, and of 1873 in September. The price of pig-iron in 1881 will not reach the maximum until September; after that month it will begin to decline. The price of pig-iron in 1891 will not begin to decline before September, as the panic will not appear before that month in that year.

Astronomy tells us that eclipses return in the same order every eighteen years. Every eclipse within this period of eighteen years belongs to a separate series of eclipses; that is,

there is but one eclipse during the eighteen years which belong to the same series. This periodical return was discovered by the ancients, and by this rule they were able to foretell the appearance of many of the eclipses years in advance; and by close observation through many centuries, astronomers at this day can foretell the exact hour and minute of the appearance of any or all the eclipses. Other cycles of motion in the heavens vary in their particular order of series. Science will yet show that there is a reality in the connection between human events and the operations of nature; the causes and the laws by which they operate we are now ignorant of.

The cycles in panics and ups and downs in prices of agricultural and manufactured articles are but the effects of a cause, which is manifested in periods of sixteen, eighteen and twenty years in panics; that return in the same order every fifty-four years, in periods of eight, nine, and ten years in the price of pig-iron; which return in the same order every twenty-seven years, and down to five and six years in the price of corn and hogs; which return in the same order every eleven years; and by a series of observation in the future, the particular month and day could be ascertained when

these changes in the ups and downs in prices will occur. When once these cycles are defined, ascertained, and calculated upon to a month and day, by a careful compilation of prices in each cycle, and the natural causes producing them discovered and verified, then their return can be calculated to continue in that exact order as long as other cycles in motion; as they are the effects of other motions, and will return with as much certainty and astronomical exactness, as the return of the eclipses of the sun and moon; and it does not require a belief in the fabulous to have faith in their periodical appearance. These cycles in the operations of cause and effect have always existed. There has been no confusion. Man has been continually making discoveries of the manner in which the laws of nature operate.

In my predictions I stated that 1876 and '77, would be years of great depression in general business, and that there would be many failures in these years; they will come at the end of the five years' decline in the price of pig-iron; and it does not require a gift of prophecy to foretell many failures in all of these years.

The "signs of the times" can be calculated by comparing 1876 and 1877 with other years after commercial panics, and the fall in the

price of pig-iron—for instance, 1842, '43, and 1860, '61—and the state of business preceding these years, remembering that 1876 is presidential year, and that presidential years like 1820, 1840, and 1860, immediately succeeding commercial revulsions, are years of depression in business, the uncertainty of the times and of future legislation clogs the wheels of commerce and stops business. “Hard times” and “dull trade” are surely upon us for the next two years. The working man who depends upon his labor for his living, especially they who are engaged in the iron trade, surely have a dreary prospect—compelled by low wages to practice the most rigid economy in the necessities of life, in the use of bad flour, black molasses, pressed shoulders, and store pay. And in the depression of the agricultural, manufacturing, and industrial interests, as they will be depressed all over the land in the next two years, the sting of hard times will come to every man’s home.

In all these years of reaction and depression in general business, Providence works upon the minds of men, as witnessed at the present time by the religious excitement in the East created by the evangelists Moody and Sankey, as instruments in the hands of God to start in

motion a religious wave that will in the next two years sweep over the entire western country.—Men in time of trouble put more trust in God, and are inclined to more thoughtfulness.

The writer stated in his predictions that notwithstanding the resumption of specie payments, the price of iron and hogs will be higher in 1879 than in 1878. The price of iron and hogs will have already suffered a diminution in premium and price in their low priced year 1877. It is natural for prices to advance in 1878, 1879, and 1880, and no legislative act can prevent it. The return to specie payments will give confidence in business and stability to trade.

Congress made a mistake in not fixing January 1, 1878, as the time for the resumption of specie payments; this delay will cause the government and people to lose twelve months of recuperative strength in the great commercial and financial battle of 1891.

January 1, 1878, is the time when all needed and necessary contraction of the currency for a specie basis will be in conformity with the universal contraction of business, which will have been going on ever since the revolution of 1873, and when general depression

will have reached the very bottom of hard pan, and when the times will demand that contraction in trade and currency must cease, at the ending of the cycle in low prices for pig-iron, the great jupiter of trade.

The combined interests of the people will demand that this incubus and scare-crow upon industry and trade be confined to the shortest period consistent with the times, and that there be no contraction after the year 1877. Agriculture, manufacture, mining, commerce, finance, and the cycles of high heaven demand it; to restore business confidence; to relieve general distress, and to repair national and individual disaster.

Commercial panic is the reaction from over trading and over expansion of credit and confidence, an excess of commerce and finance. Political economy abounds in theories to explain the cause of panics. It is not necessary to look about for a cause; commercial and financial revulsions are the consequences of many causes.

When the price of iron begins to decline there is a panic in iron. When the price of hogs commence to decline there is a panic in hogs. When the price of cotton, wool, wheat, or any product begins to fall, there is a panic

in that particular article ; the supply exceeds the demand. Prosperity in the aggregate creates general confidence, and expands credit, and this swells the prosperity, increases the demand for money, inducing banks to extend their issues and loans to the utmost, until the climax is reached ; then comes the panic, the inevitable crisis and reaction ; the pressure to realize produces a decline in prices ; confidence is lost, capital, ever sensitive, withdraws ; a run commences on the banks, ending in financial and commercial disaster.

Commercial revulsions are governed by a law beyond the control of man, and are confined to no creed, party, or politics.

The panic of 1819 was in Monroe's administration ; that of 1837 in Martin Van Buren's ; of 1857 in James Buchanan's ; and of 1873 in U. S. Grant's.

No governmental or congressional subsidies ; no legislative enactments, tariffs, or currencies ; no financial syndicates, convertible or interchangeable bonds ; no bribery of legislators or betrayal of constituents can arrest or change their course.

When the period arrives for a panic, any breeze or signal, no matter what reverses the engine, the times take the downward grade,

and there is no general recovery until we
hear pig-iron demanding

“WATCHMAN! WHAT OF THE NIGHT?”

This ideal will have been standing out upon the dome of the weather-beaten tower of time, gazing into the dim vista of the future, for five long years of disaster and ruin, waiting for the period foreseen and predicted, when the glimmer of the year 1878 can be discerned in the eastern horizon, not a meteoric flash which illumines the night with a transient and uncertain glow; but the continued morning radiance, which is the forerunner of the full light and glory of a bright noon-day—will then exclaim AROUSE, PIG-IRON! monarch of business! come forth from the chambers of thy slumbering silence, the dawn of a new era is at hand! hogs, corn, and cotton fall into line, and start in motion the wheels of commerce, industry, and trade!

The resumption of trade and industry in the year 1878 must go on; the Gibraltar of hard times will be passed in 1877; the mills and furnaces will start up; the price of pig-iron, hogs, corn, and provisions will be on the advance. Agriculture, manufacture, mining, commerce, and finance, will begin to

prosper ; the industries of all this country will be born of new life, and with our finances upon a sound basis, and a stop put to the enormous importation of foreign goods, that we can manufacture ourselves, which will give us the balance of trade, and enable us to keep our gold at home, and a general knowledge among the people of the duration of the ups and downs in prices, and when we may expect the return of commercial panics—this country with its forty millions of population, seventy thousand miles of railway, and two hundred millions of acres of cultivated land, will prosper and advance beyond any nation which has appeared in all ages of the world, and the chronicles of its future history, if well written, will rival the stories of oriental imagination.

THEORY.

We have had to hunt down PRICE CYCLES by establishing periodicity in high and low priced years ; the length of the different periods in which they have repeated themselves, and by indisputable dates, facts, and figures, demonstrating their regularity.

The cause producing the periodicity and length of these cycles may be found in our

solar system. The writer does not claim a knowledge of the causes and conditions under which they occur, and the reasons why they occur; *meteorological scientists* have been laboring and exploring the records of all ages to discover a *Meteorological Cycle*—the great desideratum of the age.

In the ELEMENTS OF METEOROLOGY, by Prof. John H. Tice, of St. Louis, Mo., published in 1875, are meteorological cycles, demonstrated and verified according to his theory, which is that *Planetary Equinoxes* are the causes of the disturbance to which our earth and atmosphere is periodically subject.

That all the elements of disturbance are physically interwoven with and inseparable from the planetary system, and that Jupiter at his equinoctial points suffers physical perturbations both in his body and atmosphere, probably more intense than the disturbances at our equinoxes. These cause similar atmospheric and physical paroxysms in Jupiter, as our equinoctial disturbances do; namely, electric and magnetic storms and earthquakes in the body of the planet; and in the atmosphere, violent tornadoes and hurricanes, accompanied with terrible electric explosions, heavy rain-falls and hail storms, and that

these equinoctial disturbances in Jupiter affect the sun, and through the sun the solar system. The result upon the earth and its atmosphere is an enormous increase of electric intensity. Gives the equinoxes of Vulcan, Mercury, Venus, Earth, Mars, Jupiter, and Saturn, and also a historical record of auroras, sun-spots, earthquakes, magnetic disturbances, cyclones, rain-falls, and hail storms, in verification of his cycle, and demonstrates that Jupiter is the cause of the atmospheric, telluric, and solar perturbations that occur once and in a modified form twice in every one of his orbital revolutions, and that the maximum disturbance upon the earth must occur at or near Jupiter's equinox, and that the energy of the equinox of any planet is intensified when that of another occurs at or about the same time. Fixes 11,86 years as the length of the Jupiter year, and names it the Jovial Cycle, and assumes that on the following years in this century have occurred and will occur, the Jovial Major Equinox :

1800.58	1859.88
1812.44	1871.74
1824.30	1883.60
1836.16	1895.46
1848.02	

The cycles of 11 years in the price of corn and hogs, 27 years in the price of pig-iron, and 54 years in general business, can not be accounted for upon any known theory in the operations of trade. Therefore we must look elsewhere for a cause and solution of the problem.

The fact of the existence of these cycles is patent to any close observer, and as to whether any hypothesis or theory would be of practical utility when not a demonstrated and *verified* truth, is for the reader to determine.

In our 11 year cycles commencing in 1836, and running to 1847, '58, and '69, we observe that our cycles fall behind the Jovial Cycle. We have not the daily or monthly prices for corn and hogs, so as to ascertain if there are fractions of a year in our cycles; if there should be, they would be found to be small. We know there are fractions in the cycles for pig-iron extending over four months from 1837 to 1845, and in other cycles from one to two months, but not sufficient fractions in any cycle within the past forty years, and will not be before 1891, to change the number of years in any high priced year cycle of either hogs or pig-iron.

The meteorological cycle, as verified by Prof. Tice, seems to be well demonstrated by this array of historical facts.

His forecasts of the weather during the year 1875 was verified with surprising accuracy, and we have no doubt that his theory in regard to sun-spots, earthquakes, auroras, and magnetic disturbances is well confirmed. However, it is to be considered that other elements and influences may operate to cause abundance or scarcity in stock and grain crops.

Facts are the data of all just reasoning, and the primary elements of all real knowledge. The fact seems to be philosophically certain that all the planets which compose our solar system are essential to that system : the sun to the planets, the planets to the sun, and all to each other ; and when certain combinations are ascertained which produce one legitimate invariable manifestation from an analysis of the operations of the combined solar system, then we may be enabled to discover the cause producing our price cycles, and the length of their duration.

It is evident from our showing of the ups and downs in prices, and the high and low priced years, that these cycles repeat them-

selves in definite length; and without determining a fixed and exciting cause for their existence, or attempting to verify theories of which we are distrustful, we will risk our reputation as a prophet, and our chances for success in business upon our 11 year cycle in corn and hogs; in our 27 year cycle in pig-iron, and in our 54 year cycle in general trade, upon which we have operated with success in the past.

Modern facilities have brought the ends of the earth together, and nearly obliterated the cycles in famine and bread riots, but in turn have developed well defined cycles in prices. By the aid of steam and electricity, a deficiency in one part of the earth is soon supplied by the surplus of another; therefore, natural productions are more equalized over the country; and as the average aggregate yearly amount is regulated by productive and unproductive seasons, prices follow nature more closely than formerly, and their cycles must correspond very closely with meteorological cycles.

The influence of the sun-spot period upon production and prices, has formed the subject of numerous discussions during the present century; and it is a singular fact that sci-

lists have made the discovery that large and small crops have occurred at intervals approximating to eleven years, the average length of the sun-spot period. It may be a meteorological fact that Jupiter is the ruling element in our price cycles of natural productions; while also it may be suggested that Saturn exerts an influence regulating the cycles in manufacture and trade.

Herschel and Leverrier, away out in the regions of immensity, beyond the range of human eyesight, may send forth an electric influence affecting Jupiter, Saturn, and, in turn, the Earth. Heathen mythology claimed that Saturn was the deity who presided over time, as he was the most distant planet from the earth of any that are visible to the naked eye, and requiring twenty-nine years to make a revolution around the sun. Saturn appears to have been king of Crete, in whose time iron was said to have been discovered on Mount Ida, owing to a fire by lightning producing a conflagration in the woods. Vulcan wrought the new iron mines and made iron implements. Ancient astrology claimed to foretell future events by the motion of the stars, and in this they were not far wrong, although they were not regulated in their predictions by

cycles in motion, but by certain changes in the stars at certain times, aided by the celestial globe, and approaches, recessions, and aspects of the planets. Ancient astrology is now being superceded by modern science. All great events and convulsions in nature are now being explained and accounted for upon fixed physical causes.

The deluge of Moses, if we look for a physical cause, can be found in the precession of the equinoxes. The perihelion having a period of over 25,000 years, crossed the equator when the translation of the ocean from the northern to the southern hemisphere, would necessarily produce wrecks of countries, great physical changes, and floods upon the earth. For all history concurs in describing a deluge, and science demands its recurrence about every 12,000 years.

CONCLUSION.

In view of the immensity of the interests involved, and the magnitude of the gains or losses incurred in the advance and decline of each price and panic cycle, and the consequences of the effects upon all business and trade, well might we be surprised and aston-

ished at the opportunities afforded for accumulation and the chances for disaster, that by rule of cycles we are compelled to predict.

Persons who undertake to search for coal outside of the coal fields, to mine for ore outside of the iron region, or prospect for any mineral by which through ignorance of the teachings of geology, they would be constantly led to squander their means for that which they can not find—could be compared to a person who undertakes to make money during the decline of prices. Failures in business are caused principally by our ignorance of *when* the ups and downs in prices are to take place. It has been stated that in the city of Boston, in a series of forty years after the year 1800, that only five in one hundred men remained in business; they had all in that time failed or died destitute of property. It has been stated and ascertained that not more than one per cent of the best class of merchants escape from failing in Philadelphia, and that not more than two per cent of the merchants of New York ultimately retire on an independence during periods of twenty-five and thirty years. In Cincinnati, out of a list of some four hundred of the principal business men who were in trade in that city at a certain

period, there were only five in business at the end of twenty years from that date. Such is mercantile success, and we see the same repeated in all the leading and different branches of trade.

As compiled by Dunn, Barlow & Co., of New York City, for the year 1873, throughout the country there were 5,183 failures of business men, with liabilities aggregating to \$228,499,000; for the year 1874 there were 5,830 failures, with liabilities of \$155,239,900; and the indications of reports for 1875, are that the failures will number as many as in the former years. The greater proportion of these failures were brought about by losses sustained in the shrinkage of values, and decline of prices in each price and panic cycle. The people seem ignorant of the terrible teachings of history, and few are prepared to take advantage of these turns in trade; and the great majority, through ignorance of the time when the ups and down in prices are to take place, are caught with incomplete enterprises upon their hands.

It is noticed that the great majority of the business men of broken down fortunes, have become so not by accident, but by dealing too largely when prices were on the decline. In

the general declines of business after the panics of 1819, '37, '57, and '73, the loss to the nation through non-employment of labor and in various ways, is estimated to aggregate a sufficient sum in each of these reactions to pay our national debt. George Peabody laid the foundation of his fortune by buying American securities in one of our commercial depressions, the price which, taken at the advance, led him on to competence.

READER, if you are young, life is short. You can not afford to make any mistakes, or miss any opportunities. You must take the tide at the advance. You can not wait a life time for the results of your experience; you must act upon what others know, or your life will be spent to little use and without much accumulation of property. The cycles of prosperity and adversity alternate inside of every ten years; but few of these prosperous decades are yours in an active business life; therefore do not waste your strength, or impair your energies on these periodic declines, as foreshadowed in the future by the bright written pages of past history.

Barnum has well said, in his celebrated lecture on the art of money getting, "You can not accumulate a fortune by taking the road

that leads to poverty." The whole history of trade and commerce is full with the records of disaster, which has been brought about by mistakes of men who could not read the letters upon the sign posts; while on the other hand our libraries are crowded with the chronology of man's success in business and trade, by taking the price and times at the advance, which leads on to fortune.

Within the present century the increase of knowledge, improvements in machinery, and the discoveries in the arts and sciences, have advanced with a speed unparalleled in the annals of history. New light in various departments of human activity is now rapidly and continually breaking in upon the world. The invention of the steamboat, railroad, and telegraph, have imparted astonishing lessons to mankind. Each discovery of the laws of nature unfolds to the mind of man, new and exalting evidences of the wisdom of the Creator. Astronomers who attempt to explore the immensity of the starry regions; to discover unseen and unknown worlds, and to find out the ways of God in the wonders of the heavens, are not in this enlightened age denounced as false philosophers and charged with an impious invasion of the domain of God. Each

rising science has fought and struggled with superstition and ignorance ; and in all ages no effort has been spared to blast them in the bud of their being, or crush them in the cradle of their infancy.

It has only been a short time before the present century, that if any one had predicted the crossing of the ocean in a vessel driven by steam, or of conveying news by electric agency around the earth, over the land and under the water in advance of time, or of daguerreotyping the human face on a metallic plate by the light of the sun, and then chemically fixing it there ; or of forecasting the future of the weather ; production and prices by the rule of cycles as regulated by providence ; such persons would have been considered visionary, their predictions regarded as contemptibly absurd ; their authors the most disingenuous of men, and their theories and systems treated with persecution and ridicule.

The day is past for men to be forced to drink the juice of the hemlock for having peculiar notions of Deity, and sent in chains to the gallows, or imprisoned in gloomy dungeons for announcing scientific discoveries. Galileo was condemned by the inquisition of Rome for teaching the doctrine of the earth's revolu-

tions. Galileo was right, and the world moves.

Science has many things to achieve in agriculture, manufacture, mining, and commerce. The science of *price cycles* is yet in the cradle of its infancy, but waiting its time to mature full development, to unfold its principles, and declare its oracles to all mankind, and to demonstrate that the causes and the laws of nature in production are not past finding out; and that man in his onward path of progress, with the aid of electric science, will ultimately grasp the future, and make plain all the ways of God; which, when accomplished in this world, will be the acme of human knowledge, the consummation of human perfection, and the end of human destiny.

ADDENDA, 1884.

To comply with an urgent demand from many business men for a new edition of these Prophecies, with tables brought down to date, the author has consented to make some additions, and add a chapter on Railroad Stocks. The old edition is left as it was originally published in 1876.

While it has been an accepted saying, that history repeats itself, it has never been attempted heretofore to show how, and say when, it was systematically done, so as to extend it into the future—until the writer, in 1876, introduced to the public this little book, showing, by cycles made in the ups and downs in prices and in general business, how and when the times would repeat themselves in the future, which by the test of the past eight years, is pronounced, by intelligent and thinking business men, to be one of the most remarkable commercial discoveries of this country.

This book has been read by many able men, and they are puzzled at the results, as showing powerfully what they did not believe existed,

and so at variance with received opinions, they seem willing, from choice, to disbelieve it, if it were possible, but seeing the predictions and repetitions justified by events, are disposed to give the author great glory.

The discovery of this so-called law of repetition, pertaining to business life, one would say can not be, for how the times change from war and other causes. The answer is: that the law has acted for fifty years, or as long as we have had any reliable statistics to test it; and this action has been going on through the introduction of railroads, steamships, the electric telegraph and cable, the panics of 1837, 1857 and 1873; also, through the Mexican war and our own civil war, and all else that has occurred to oppose such regularity. And what more can a reasonable person ask to prevent its action? And yet it rides triumphant over all, and asserts itself up to the present time in a wonderful manner.

In the commodity of Iron, the author takes the best tables this country affords, and with the formation of which he has nothing to do, viz.: those compiled by the American Iron and Steel Association of Philadelphia, and from these prices, for the past fifty years, are shown the highest and lowest years, which are system-

atically apart, forming cycles which repeat themselves at certain fixed periods. These are facts, and if facts, they are true, whether they are believed or not.

Iron is the strongest element of general business; and when the price of iron is advancing and high, general business is always prosperous, and labor finds steady and remunerative employment. On the contrary, when iron is declining and low, general business languishes and labor suffers its worst. This fact has been invariably the case during the whole history of the United States; and it is the great desideratum of the age to discover the operation of a repetition in this commodity, and place it intelligently before the public, so that business men can shape their affairs in accordance with it.

The uncertainty heretofore of all manufacturing business, for a want of the knowledge of how long good trade or poor trade would continue, of which it seems our sharpest and most experienced men have made serious and fatal mistakes, will now, by this knowledge of repetition, be enabled to forecast the run of future business, and give them more confidence by knowing when to contract or expand their operations.

Many a chance for a fortune is lost through over caution; and many a fortune is lost through being over sanguine, without a sure guide gained by the known laws of the operations of the past. The height and culmination of a speculative era is the best time for sinking capital beyond the hope of recovery, and commercial depression affords the best opportunity for profitable investment, as these pages show under the head of Iron and Panic.

PROPHECIES VERIFIED.

The author predicted, in 1875, that there would be a continuation of the depression in iron and general business to extend through 1876 and 1877—which prophecies were fulfilled.

The further prediction then, was that prices would commence to advance in 1878—which they did. The advance in iron commenced in the latter part of 1878, while railroad stocks had reached their lowest limit of decline in 1877. These years—1877 and 1878—were the end of the great commercial depression foreseen and predicted by the writer.

The remarkable part of this prediction was in forecasting a turn in business affairs, and higher prices to follow, in spite of resumption of spe-

cie payments. The general opinion at that time, was that resumption meant contraction and lower prices.

During 1879 and 1880, the times improved and prices advanced, just as predicted. All trades and industries were active through these years. Iron reached its highest price in 1880, and stocks in 1881.

The prediction also was that after 1881 prices would decline and the times grow worse, which prediction has been verified down to this date.

The two important points, one of depression in 1877, and the commencement of better times in 1878, and to follow, and the other of great business activity and culmination in 1881, and the commencement of dull and poor trade, and to follow after that year, have been substantially verified.

On page 49, of this book, there is said, "that the years 1882, '83, '84, '85, '86, '87 and '88, will be years of decline in the price of pig-iron, and years of depression in this business." Now, let us see what the secretary of the Iron and Steel Association says in his report made in 1883: "In our last annual report, in June, 1882, the fact was noted, that the extraordinary activity in our iron and steel industries, which had commenced in 1879, had culminated early in 1882,

when the wants of consumers became less urgent and prices generally began to decline. This reaction was not sudden nor violent, but was, indeed, so gradual and tranquil that it not only, for some time, excited no apprehension of impending stringency, but was actually imperceptible to many manufacturers whose books still continued to receive liberal orders at satisfactory prices. After the resumption of activity in the rolling mills, the price of rolled iron and pig-iron declined until the close of the year, and in November and December the market for these products was greatly depressed. Steel rails, which were the first of all iron and steel products to weaken in price—quotations having slightly receded as early as December, 1881—steadily declined in price throughout the whole year, the sharpest decline occurring in November and December, when the demand for future delivery almost came to an end. At the beginning of December, 1881, the average price of steel rails, at the mills, was \$60 a ton; but in December, 1882, the average price was only \$39. In all the fluctuations of prices of iron and steel that have taken place in this country, we know of none so sweeping as this decline in the price of steel rails, if we except the fluctuations of 1879 and 1880, and many of these were entirely

speculative. The causes which contributed to the serious, but in no sense disastrous, reaction in our iron and steel industries, in 1882, were many and various."

The lowest limit for pig-iron being touched a few months later, and the highest daily price earlier than the specified limitations and culminations in predictions made for the years 1877 and 1881, do not affect the verification of the repetitions, as there were very important causes why these limits were prolonged and hastened a few months. In whatever can not be as exact as two and two are four, is no reason why 'tis false and should be abandoned.

Let the thinking mind of any far-seeing business man call into action all his mental energies —gird himself to the herculean task; let him put forth his proudest thought, grasp the subject with a giant arm, and endeavor to forecast the future ups and downs of iron and general business in this country for the next ten years, without the help of cycles and this law of repetition, as the author has set forth in these pages, and see how wide he will miss the mark.

A prominent grain merchant, when questions in regard to the probable effect of a European war upon the market for American bread-stuffs, replied that definite predictions could be

obtained only from merchants who had been but a short time in the business; the older he grew the more ignorant he became concerning the future.

SIGNS OF THE TIMES.

The price of iron has steadily fallen through the year 1883.

That the times are dull, can not be disputed. We have now the anomaly of an easy money market and hard times. From month to month, since 1881, commodities have fallen in price, wages have been cut down, manufactories closed, workmen thrown out of employment, and at the present time the cities fairly swarm with a grand army of the unemployed. There has not been for years a greater scarcity of trade bills, so little demand for the deposits that banks and discount houses hold. Unsound firms and mismanaged corporations are failing daily, a series of commercial failures larger than ever in this country. A merchant contemplating an opening up of a new department in trade, postpones it; a manufacturer needing new machinery, puts off the purchase of it; a man intending to build a new house, waits. All these indicate poor trade and great prostration

in business. And this state of affairs in this country, which we are compelled to describe as it actually exists, is likely to continue until we have a turn in iron for great activity, which can not come until 1888, as pointed out by the repetitions of the past.

All persons who are interested in pig-iron and railroad and other securities, are anxiously inquiring into the probabilities of iron declining more. With over one-third of the blast furnaces in this country standing idle, and the greater number of those in blast struggling to pay expenses, this inquiry is one of great and exceeding interest.

The writer now proceeds to outline the future condition of trade, from this time to the close of this century.

1884.

Presidential year. The absorbing topic. What party is going to administer the Government for the next four years to be decided in the election this fall, will be a disturbing element in business, and will have the effect of casting its withering shadow before it, clogging the wheels of commerce and manufacture; hence, dull trade. Iron will continue to droop, with lower prices.

1885.

This year will show some resumption in the business of the country, the election being over and out of the way. There will be a little higher average for iron for this year, and this year only, with railroad stocks higher than in 1884.

1886.

A renewal of depression in the iron and general business, and a lower average for iron. Free-trade agitation and legislation by Congress. The low duty tariffs have been shameful failures in this country, reducing the Government and people to a deplorable condition. The low-tariff era, from 1857 to 1861, was one of the darkest periods ever seen by the laboring people of America. Stocks lower.

1887.

Continuation of the same dull trade of 1886, with no hope for iron this year.

1888.

Presidential year; all business prostrated and exhausted. A general complaint of hard times all over the country. Banks failing and stocks to their lowest point. Iron and stocks

will touch their lowest limit in this decline, and turn upward *in this year*.

1889.

A great speculative era opening up. Hurrah, for business! Iron advances. Now for a Boom.

1890.

Great activity in general business. Iron and stocks advancing and bounding upward, from the beginning to the ending of this year. A repetition of the year 1879.

1891.

This era of speculation and great prosperity comes to a close this year with a PANIC. A commercial revulsion and general reaction in all business after this year, and down goes trade for a series of years.

1892, 1893, 1894, 1895, 1896, 1897.

Dull years and poor trade.

1898, 1899.

Good trade and an active business in all industries, winding up this 19th century in the height of a speculative era.

It will be noticed that there are to be only two period of years, from this time until 1900, when we will have great activity in general business, and these are given below in the future.

The former prominent active business periods of advances in iron were from

1834 to 1837.
1843 to 1845.
1850 to 1854.
1861 to 1864.
1870 to 1872.
1878 to 1880.

FUTURE.

1888 to 1891.
1897 to 1899.

It seems from the above that the advance and activity in iron is but a few months at a time, while the periods of decline are numbered by years and of long duration. However, it should not be a subject of too much complaint, when we think of the locust—only a week's song in every seventeen years.

AVERAGE YEARLY PRICES FOR PIG-IRON.

YEARS.	PRICE.	TONS.	YEARS.	PRICE.	TONS.
1844	25 $\frac{3}{4}$	. . .	1863	35 $\frac{1}{4}$	947,604
1845	29 $\frac{1}{4}$	. . .	1864	59 $\frac{1}{4}$	1,135,996
1846	27 $\frac{7}{8}$	. . .	1865	46 $\frac{1}{8}$	931,582
1847	30 $\frac{1}{4}$	. . .	1866	46 $\frac{7}{8}$	1,350,343
1848	26 $\frac{1}{2}$	. . .	1867	44 $\frac{1}{8}$	1,461,626
1849	22 $\frac{3}{4}$	. . .	1868	39 $\frac{1}{4}$	1,603,000
1850	20 $\frac{7}{8}$	. . .	1869	40 $\frac{5}{8}$	1,916,641
1851	21 $\frac{3}{8}$	. . .	1870	33 $\frac{1}{4}$	1,865,000
1852	22 $\frac{5}{8}$	. . .	1871	35 $\frac{1}{8}$	1,911,608
1853	36 $\frac{1}{8}$	. . .	1872	48 $\frac{7}{8}$	2,854,558
1854	36 $\frac{7}{8}$	736,218	1873	42 $\frac{3}{4}$	2,868,278
1855	27 $\frac{3}{8}$	784,178	1874	30 $\frac{1}{4}$	2,689,413
1856	27 $\frac{1}{8}$	883,137	1875	25 $\frac{1}{2}$	2,266,581
1857	26 $\frac{3}{8}$	798,157	1876	22 $\frac{1}{4}$	2,093,236
1858	22 $\frac{1}{4}$	705,094	1877	18 $\frac{7}{8}$	2,314,585
1859	23 $\frac{3}{8}$	840,627	1878	17 $\frac{5}{8}$	2,577,361
1860	22 $\frac{3}{4}$	919,770	1879	21 $\frac{1}{2}$	3,070,875
1861	20 $\frac{1}{4}$	731,544	1880	28 $\frac{1}{2}$	4,295,414
1862	23 $\frac{7}{8}$	787,662	1881	25 $\frac{1}{8}$	4,641,564
			1882	25 $\frac{3}{4}$	5,178,122

FAILURES.

As compiled by R. G. Dun & Co., of New York City, for the year 1883, there were over nine thousand traders failed in business; and, with the exception of the year 1878, there were more failures in number in 1883 than in any year in the history of this country.

To quote from their circular of January, 1884 : "Under such circumstancies the inquiry is a most anxious one, as to what is the actual business outlook for the opening year. If, with all that has happened in the past of a favorable character, disasters of such magnitude have occured, what is to be expected with the loss of confidence which these calamities have caused, with the restricted credit accomodation, lessened business, and the steady depreciation in values, which seem to be the daily experience."

Now, the writer undertakes to state, that the capacity of this country to over produce is out of all proportion to the power and ability to consume.

This fact was very plainly exemplified in the iron business during 1879. Just so soon as the people saw that iron had started upward, every old furnace trap in this country, that had been idle for years, was repaired and put to work, and run to its full capacity. All the ore, coal and timber lands were optioned, and every body seemed to be going into the iron business; and, in the spring of 1880, it was plainly to be seen, that there was to be an enormous production of pig-iron.

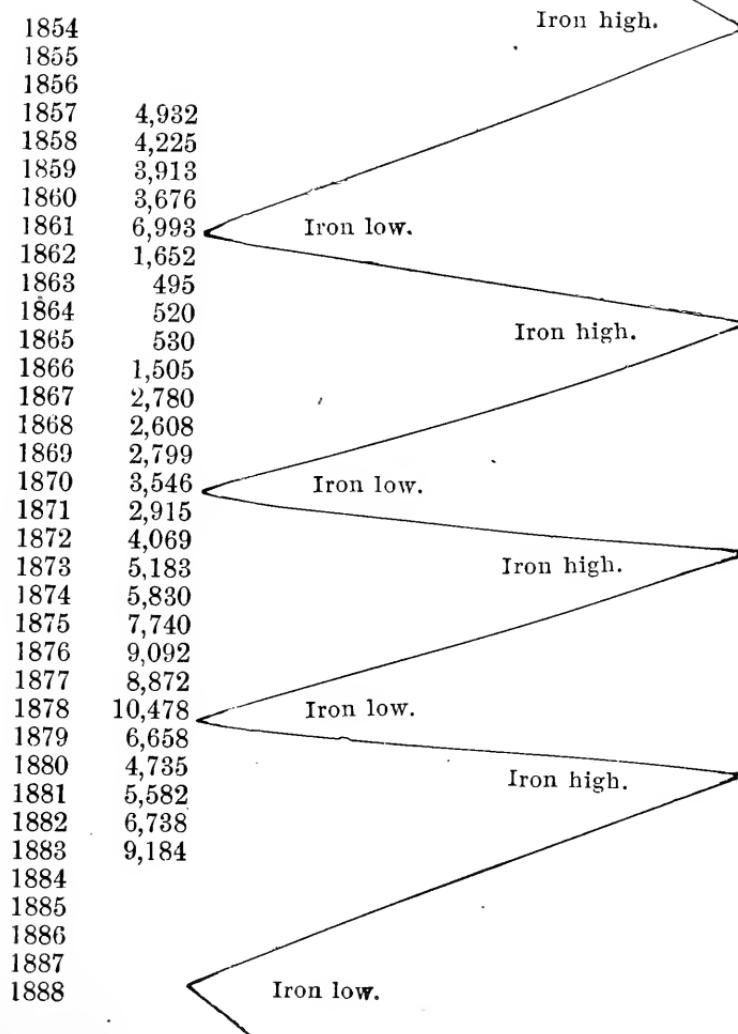
The fact of the business was, that there were a million of tons more iron made in 1880 than in 1879, and the consequence was, that the up-

ward march in the price had to halt in that year—and this very over production has ruined the iron trade, and brought about unprofitable general business to this day.

Take any trade or industry in this country, where the people are free to engage in it, and not hampered by any restrictive laws, and the moment that prices rise in any product or commodity, it seems that every body—like a flock of sheep—goes in that direction, and we soon have an over production, and down goes the price for a number of years. What can be said of any one production in this respect can be applied to general business; and no matter if the country in itself is sound, and the ability of consumers to absorb and pay for their wants and luxuries, large emigration and great growth, the startling fact present itself that business can and does stagnate and becomes very much depressed in these repetitions of the long terms of decline in iron.

Better times can not come for general business, until the price of iron shows that it is in demand in the industries of this country. And to answer the above inquiry, the record of the number of failures is here given, and the ups and downs in iron in the past and extended into the future, showing how long these numerous failures must continue.

NO. OF FAILURES



It can be seen, by the foregoing diagram, that whenever iron is high there is a less number of failures, and as iron declines in price, and is low, the failures increase, and reach their greatest number when iron is at its lowest point.

This showing indicates that there will be an increased number of failures, over and above the number for 1883, before we get a turn in business affairs, as we have not reached the lowest limit for iron in this decline.

RAILROAD STOCKS.

The magnitude of the railroad interest of this country, has given it the position of the great leading element for speculation and investment.

This business has grown so extensively in the United States, in the past twenty years, that it excites admiration and wonder.

In 1860 there were only 30,635 miles of finished road, and about 250 members of the New York Stock Exchange. In this year there is over 120,000 miles of road, with over 1,000 members of the New York Exchange.

This great activity in railroad building and stock operations have been the result of the greenback era. With the rapid settlement of the

Western States under land grants, homestead laws and agricultural machinery began to increase immensely, since the war, the East and West railroad traffic—there having been built within the last three years more miles of railroad than was built altogether before the war. The railroad system being now almost practically completed east of the Mississippi river, we can reasonably expect to see the excitement, pertaining to so many new projected lines pass away, and the price for railroad stocks to take their legitimate place in the market, along with iron, and rise and fall in their value, as iron goes up and down, in the markets of our country.

The time is past now for any great excitement in the activity and advance in stocks, and, for a few years following, we may look for continued lower prices, with the exceptions of some upheavals that may be engineered and produced by combinations and manipulations.

The speculator who may attempt to bull the stock market, or the investor who may confide his means in these securities, thinking the turn has come for another boom in the stock market, will find, in the long run, that the market will gradually and surely go away from him—like the sand from under the feet of the fisherman, while standing in a stream of running water.

There is a saying in Wall Street that there is one certain way to make money in stocks: "Buy when they are cheap, and sell when they are dear." This is the simplest kind of a rule, and it is a perpetual wonder that so many fail in getting the hang of it.

In Wall Street, it is the operator who forms a correct theory as to the course of prices who makes the most money in the long run—mere traders are sure to get swamped. It is those who see furthest ahead, and have the courage to act upon their convictions, that secure the great prizes in the stock market.

In the year 1860, some of the leading stocks at that time were very low—Erie, 8; New York and Harlem, 8; Michigan Southern, 5; Cleveland and Pittsburgh, 5.

In 1877, some low prices again—Erie, 5; Hannibal & St. Joe, 7; Ohio and Mississippi, $2\frac{1}{2}$; Wabash, $\frac{1}{2}$.

There were two periods, one before the war and the other afterward, when stocks were very low, and those were the times to make investments. The same opportunity for investors to catch stocks so low as in these two years will not, in opinion of the author, come around again until after the next panic, as described in this book: as these two low periods were the effects of the

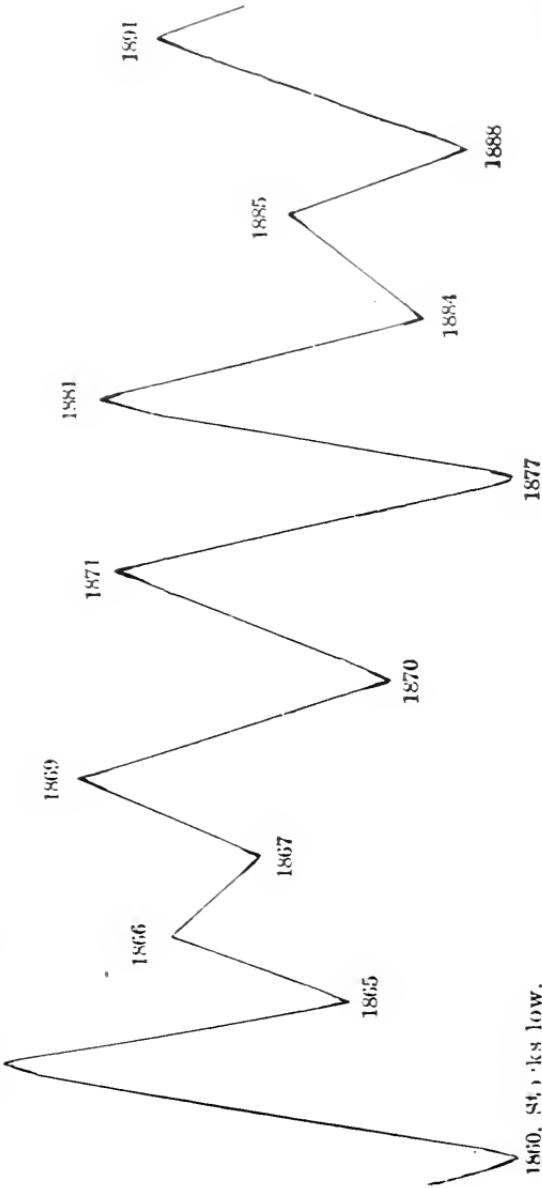
revulsions in business caused by the panics of 1857 and 1873.

In the declines of 1865, 1867, and 1870, we did not have as low prices as after the panic of 1873, when prices for stocks seem to almost vanish out of sight.

In the present decline, from 1881 to 1884, we have something similar to the declines into 1867 and 1870, and some lower points made this year than in 1865, 1867 or 1870, and, reasoning from what we know, stocks have been low enough in this year for this decline so far, and, therefore, we should not have lower points until after next year, the year 1885 being a steady and slightly up year for iron. In the years 1886 and 1887 there will be lower stocks, running into 1888, when the turn comes again for activity in iron stocks and all business.

DIAGRAM OF RAILROAD STOCKS.

Showing the Lowest and Highest Years since 1860, and extended to 1891.
 1864, Stocks high.



1860. Stocks low.

MILES OF RAILROAD IN U. S.

YEAR.	MILES IN OPERATION.	ANNUAL INCREASE.
1820	23	
1831	95	72
1832	229	134
1833	380	151
1834	633	253
1835	1,098	465
1836	1,273	175
1837	1,497	224
1838	1,913	416
1839	2,302	389
1840	2,818	516
1841	3,535	717
1842	4,026	491
1843	4,185	159
1844	4,377	192
1845	4,633	256
1846	4,930	297
1847	5,598	668
1848	5,996	398
1849	7,365	1,369
1850	9,021	1,656
1851	10,982	1,961
1852	12,908	1,926
1853	15,360	2,452
1854	16,720	1,360
1855	18,374	1,654
1856	22,016	3,647
1857	24,503	2,647
1858	26,968	2,465

YEAR.	MILES IN OPERATION.	ANNUAL INCREASE
1859	28,789	1,821
1860	30,635	1,846
1861	31,286	651
1862	32,120	834
1863	33,170	1,050
1864	33,908	738
1865	35,085	1,177
1866	36,801	1,742
1867	39,250	2,449
1868	42,229	2,979
1869	46,844	4,615
1870	52,914	6,070
1871	60,283	7,379
1872	66,171	5,878
1873	70,278	4,107
1874	72,383	2,105
1875	74,096	1,712
1876	76,808	2,712
1877	79,089	2,281
1878	81,776	2,687
1879	86,497	4,721
1880	91,944	7,174
1881	101,733	9,789
1882	113,329	11,591

WINTER PACKING OF HOGS—NET AND
GROSS COST.

SEASON.	NO. PACKED.	COST. NET.	COST. GROSS.
1842-43	675,000		
1843-44	1,245,000		
1844-45	790,000	\$ 3 30	\$ 2 65
1845-46	900,000	4 85	3 90
1846-47	800,000	3 55	2 85
1847-48	1,710,000	3 25	2 60
1848-49	1,560,000	4 70	3 75
1849-50	1,652,220	2 66	2 13
1850-51	1,332,867	3 75	3 00
1851-52	1,182,846	4 45	3 56
1852-53	2,201,110	6 01	4 81
1853-54	2,534,770	4 19	3 35
1854-55	2,124,404	4 21	3 37
1855-56	2,489,502	5 75	4 60
1856-57	1,818,468	5 94	4 75
1857-58	2,210,778	4 86	3 89
1858-59	2,465,552	6 28	5 02
1859-60	2,350,822	5 91	4 73
1860-61	2,155,702	5 67	4 57
1861-62	2,893,666	3 03	2 42
1862-63	4,069,520	4 20	3 36
1863-64	3,261,105	6 70	5 36
1864-65	2,442,779	14 32	11 46
1865-66	1,785,955	11 67	9 34
1866-67	2,490,791	7 22	5 78
1867-68	2,781,084	7 95	6 36
1868-69	2,499,873	10 22	8 18
1869-70	2,635,312	11 53	9 22

SEASON.	NO. PACKED.	COST. NET.	COST. GROSS
1870-71	3,695,251	6 58	5 26
1871-72	4,831,558	5 15	4 12
1872-73	5,410,314	4 66	3 73
1873-74	5,466,200	5 43	4 34
1874-75	5,566,226	8 33	6 60
1875-76	4,880,135	8 82	7 05
1876-77	5,101,308	7 18	5 74
1877-78	6,505,446	4 99	3 99
1878-79	7,480,648	3 56	2 85
1879-80	6,950,451	5 22	4 18
1880-81	6,919,456	5 80	4 64
1881-82	5,747,760	7 58	6 06
1882-83	6,132,212	7 85	6 28

CORN.

YEAR.	PRODUCTION.	AVERAGE VALUE PER BU
1840	377,000,000	
1850	592,000,000	
1860	838,000,000	
1862	533,387,230	34
1863	397,839,212	69
1864	530,451,403	99
1865	704,427,853	46
1866	867,946,295	68
1867	768,420,000	80
1868	906,527,000	62
1869	874,320,000	75
1870	1,094,255,000	54
1871	991,898,000	48
1872	1,092,719,000	39
1873	932,274,000	48
1874	850,148,500	64
1875	1,321,069,000	42
1876	1,283,827,500	37
1877	1,342,558,000	35
1878	1,388,218,750	31
1879	1,547,901,790	37
1880	1,717,434,543	39
1881	1,194,916,000	63
1882	1,617,025,100	48
1883	1,500,000,000	

THE WEATHER.

The author does not claim to be a weather prophet, as the weather seems to be one of the most fickle of all things under the sun. However, a chart is here given to show when the scorching heats and droughts, the great floods and prolonged cold winters, have appeared at certain periods in this country, that seem to repeat the order of their return in about every eight years. This order is extended into the future, showing the probabilities of the recurrence of these extremes in the seasons, varying the crops, and affecting the price of corn and hogs.

The extremes of rain-fall and great floods recur at regular periods of about eight years in the Ohio and Mississippi rivers.

The periods of drought and extreme low water occur regularly at almost equal intervals between those of high water.

The repetition of long, cold and stormy winters coincide nearly with those of drought in recurrence and duration.

WEATHER CHART.

	<i>YEARS</i>	<i>YEARS</i>
	<i>WET.</i>	<i>DRY.</i>
	1850	
Flood.	1851	
	1852	
	1853	
		1854
		1855
		1856
		1857
	1858	
Flood.	1859	
	1860	
	1861	
		1862
		1863
		1864
		1865
	1866	
Flood.	1867	
	1868	
	1869	
		1870
		1871
		1872
		1873
	1874	
Flood.	1875	
	1876	
	1877	
		1878
		1879
		1880
		1881
		Drought—Low Water.
		Drought—Low Water.

	1882	
Flood.	1883	
	1884	
	1885	
	1886	
	1887	Drought—Low Water.
	1888	Drought—Low Water.
	1889	
	1890	
Flood.	1891	
	1892	
	1893	

The weather chart is designed to show, first, on the right, the group of four years of extreme heat and extreme cold; and second, on the left, four years of heavy rain-falls and great floods.

The author does not claim that all the years in the groups on the right of the chart will be years of drought and heat and cold winters; neither will all those years on the left be years of excessive rain-fall.

It is only asserted that there will be two of these years on the right of extreme heat and cold winters, and on the left at least one regularly returning year, in which there will be a great flood, as pointed out on the chart.

On the right, in the first group of four years, there were extensive droughts in 1855 and 1856; and the winters of 1855-56 and 1856-57 were extremely cold.

In the second group, there were extensive

droughts in 1863 and 1864, and the winters of 1863-64 and 1864-65 were extremely cold.

In the third group there were extensive droughts in 1871 and 1872; and the winters of 1871-72 and 1872-73 were extremely cold.

In the fourth group there were extensive droughts in 1879 and 1881, and the winters of 1878-9 and 1880-81 were extremely cold.

On the left, in the first group of four years, there was a great flood in 1851.

In the second group there was a great flood in 1859. In the third group there was a great flood in 1867.

In the fourth group there was a great flood in 1875. In the fifth group there was a great flood in 1883.

From these records of the past thirty years, without going back to hunt down far-fetched data, the conclusions and probabilities are, that there will not be any very great floods in our rivers from this time till after 1889, with the exception of the year 1886 (when heretofore there has been high waters the first year of these groups of dry years), and, after passing the Spring of 1886, the river population can be assured of no extraordinary floods of high water till 1890 and 1891.

Also, that there will not be any genera'

droughts extending all over this country, with extreme heat, till after 1886; and that there will not be any excessive, prolonged cold winters until 1887.

For the next two years, average seasons of rain-fall, gradually decreasing till 1887 and 1888, when in these years there will be general droughts and low water in the rivers.

The winters of 1887-88 and 1888-89, will be extreme prolonged cold winters, with storms of snow.

After 1888, the rain-fall will gradually increase till 1891, when there will be a great flood in the Ohio and Mississippi rivers.

The year 1889 will be grasshopper year for the States and Territories West of the Mississippi river.

STAGES OF THE OHIO RIVER AT CINCINNATI,
OHIO.

[*From the Report of the Chamber of Commerce.*]

YEAR.	HIGHEST. Ft. In.	LOWEST. Ft. In.	AVERAGE Ft. In.
1832	64. 3		
1847	63. 7		
1858	43.10	2. 5	12.10
1859	55. 5	3. 3	17. 7
1860	49. 2	5. 4	16.
1861	49. 5	5. 1	19. 1
1862	57. 4	2. 4	17. 5
1863	42. 9	2. 6	15.
1864	45. 1	3. 1	16. 8

1865	56. 3	5. 8	21.10
1866	42. 6	4. 9	19. 2
1867	55. 8	3.	17.
1868	48. 3	5. 1	18. 8
1869	48. 9	5. 4	19. 8
1870	55. 3	3.10	17.10
1871	40. 6	2. 8	11.10
1872	41. 9	3.	11. 8
1873	44. 5	3. 8	18. 5
1874	47.11	2. 4	15. 8
1875	55. 4	4. 3	18. 9
1876	51. 9	6. 2	18. 2
1877	53. 9	3. 3	15.
1878	41. 4	4. 4	16. 9
1879	42. 9	2. 6	14. 6
1880	53. 2	3. 9	17.
1881	50. 7	1.11	16.11
1882	58. 7	6. 1	22. 1 $\frac{1}{2}$
1883	66. 4	3. 7	19. 5 $\frac{1}{2}$
1884	71. 0 $\frac{3}{4}$		

CORN AND HOGS.

The price of corn and hogs is moved up and down more quickly in their repetitions, by the changes in the weather and seasons, than the price of some manufactured commodities; for instance iron, which takes a longer term of years to bring about a large or small supply, as the cycle in hogs is only from five to six years, while iron a much longer term of years.

In the repetitions of the ups and downs as given in this book, the low price for 1877 was continued into 1878, by the dread of resumption of specie payments, which resulted in keeping

prices down into 1878 for hogs, iron, and other commodities.

The last high year for hogs was fixed for 1880. Now to assign a reason why the price continued to advance, after that year to 1882, for corn and hogs.

It can only be charged to the great drought of 1881 not coming in the year 1880, its proper place.

The former regularly returning droughts, as shown in the weather chart (which is introduced here for this purpose), were in the years 1855-56, 1863-64, 1871-72, 1879, skipping 1880, the high priced year in the cycle, and giving us the drought in 1881, which was an excessive dry summer, partially destroying the corn crop.

This delayed disastrous drought being preceded by the extraordinary long continued cold of the winter of 1880-81, which had already thinned out a great number of hogs, was the direct cause of the high prices being continued longer than the cycle denoted.

The low point for corn and hogs is for this winter; that is, for the packing season of 1883-84, which no doubt will show a lower average price than for the packing season of 1882-'83.

The further prophecies are for a higher

average after this winter, till the packing season of 1886-87.

Now, to maintain prices about the present level, or to have a higher average for the next three years, there must be some failures in the corn or hog crops; and reasoning from what we know, that during the cold January of this winter the young hogs have died in considerable numbers. And in accordance with that which our weather chart indicates, the summer seasons for a couple of years, will be wet, with low temperature, and not favorable for large yields of merchantable sound corn. And the further indications are, that we will not have good corn crops until the dry weather of 1887 and 1888, when the price of corn and hogs will decline to a lower average, as they did during the dry weather of 1871 and 1872.

HIGHEST AND LOWEST PRICES IN NEW YORK FOR
MIDDLING UPLAND COTTON AND THE CROPS:

YEAR.	HIGHEST.	LOWEST.	BALES.
1826	14	9	_____
1827	12	8	_____
1828	13	9	_____
1829	11	8	_____
1830	13	8	_____
1831	11	7	987,477
1832	12	7	1,070,438
1833	17	9	1,205,394
1834	16	10	1,254,328
1835	20	15	1,360,725
1836	20	12	1,425,575
1837	17	7	1,804,797
1838	12	9	1,363,403
1839	16	11	2,181,749
1840	10	8	1,639,353
1841	11	9	1,688,675
1842	9	7	2,394,203
1843	8	5	2,108,579
1844	9	5	2,484,662
1845	9	4	2,170,537
1846	9	6	1,860,479
1847	12	7	2,424,113
1848	8	5	2,808,596
1849	11	6	2,171,706

1850	14	11	2,415,257
1851	14	8	3,090,029
1852	10	8	3,352,882
1853	11	10	3,035,027
1854	10	8	2,932,339
1855	11	7	3,645,345
1856	12	9	3,056,519
1857	15	13	3,238,902
1858	13	9	3,994,481
1859	12	11	4,823,770
1860	11	10	3,826,086
1861	28	11	—————
1862	68	20	—————
1863	88	54	—————
1864	1.90	72	—————
1865	1.22	33	2,228,987
1866	52	32	2,059,271
1867	36	15 $\frac{1}{2}$	2,498,895
1868	33	16	2,439,039
1869	35	25	3,154,946
1870	25 $\frac{3}{4}$	15	4,352,317
1871	21 $\frac{1}{4}$	14 $\frac{3}{4}$	2,974,351
1872	27 $\frac{3}{8}$	18 $\frac{5}{8}$	3,930,508
1873	21 $\frac{3}{8}$	1 $\frac{5}{8}$	4,170,388
1874	18 $\frac{7}{8}$	14 $\frac{3}{4}$	3,832,991
1875	17 $\frac{1}{8}$	13 $\frac{1}{6}$	4,669,288
1876	13 $\frac{3}{8}$	10 $\frac{7}{8}$	4,485,423
1877	13 $\frac{5}{6}$	10 $\frac{1}{6}$	4,773,865
1878	12 $\frac{3}{16}$	8 $\frac{1}{6}$	5,074,155
1879	13 $\frac{3}{4}$	9 $\frac{1}{4}$	5,761,252
1880	13 $\frac{1}{4}$	10 $\frac{1}{6}$	6,605,750
1881	13	10 $\frac{7}{6}$	5,456,048
1882	13 $\frac{1}{6}$	10 $\frac{1}{4}$	—————

WHEAT.

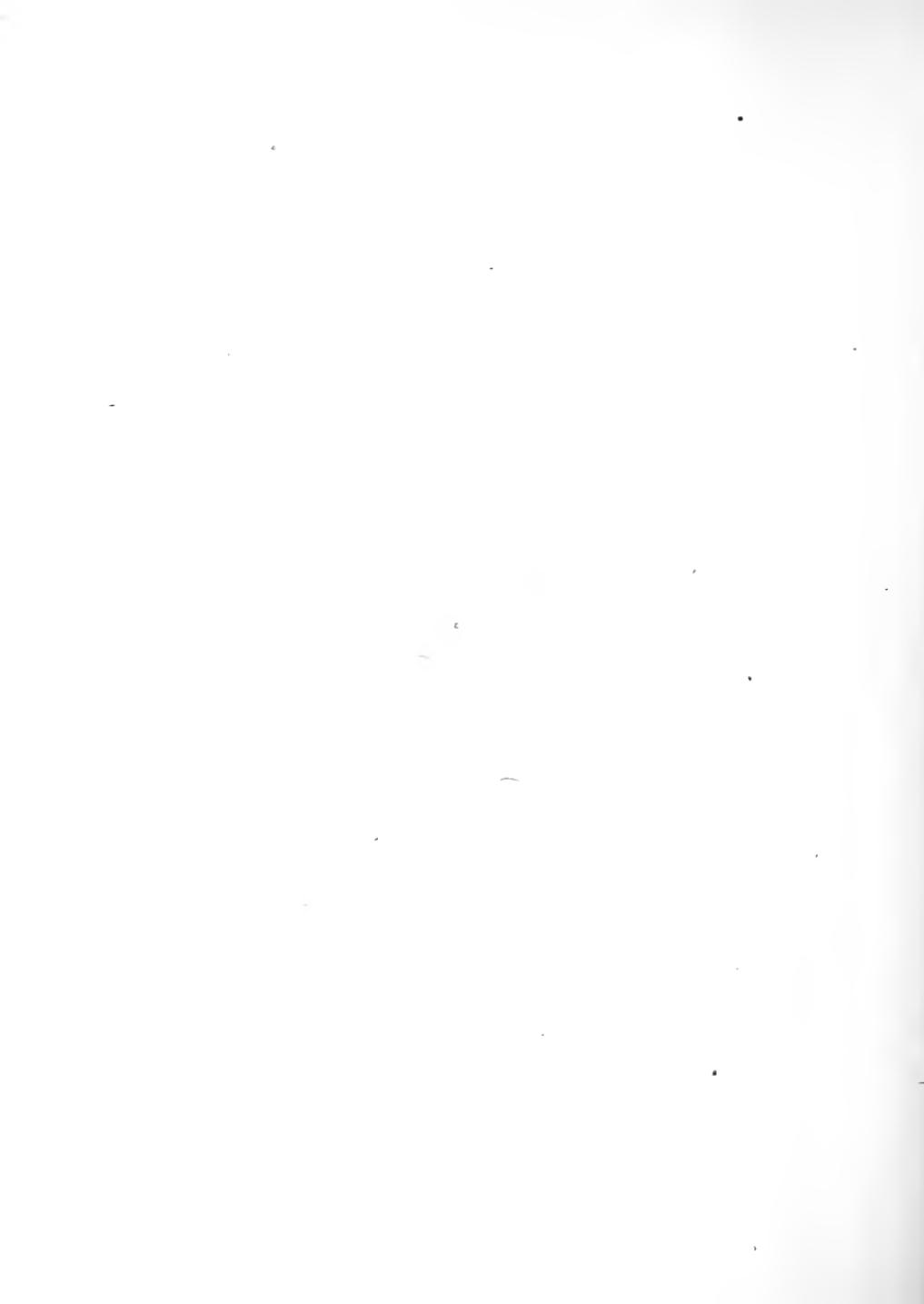
YEAR.	PRODUCTION.	AVERAGE VALUE PER BU
1862	177,957,172	\$ 93
1863	173,677,928	1 14
1864	160,695,823	1 83
1865	148,522,827	1 46
1866	151,999,906	2 19
1867	212,441,400	1 98
1868	224,036,600	1 42
1869	260,146,900	94
1870	235,884,700	1 04
1871	230,722,400	1 25
1872	249,997,100	1 24
1873	281,254,700	1 15
1874	309,102,700	94
1875	292,126,000	1 00
1876	289,356,500	1 03
1877	364,194,146	1 08
1878	420,122,400	77
1879	448,756,630	1 10
1880	498,549,868	95
1881	380,280,090	1 19
1882	504,185,470	88
1883	420,000,000	

The total production and average value per bushel of the wheat crops since 1862, are here given as compiled by the Department of Agriculture.

The author has never been enabled to form any cycles in the price of this cereal that would show any repetition of high or low prices that could be extended into the future.

To judge of the surrounding conditions and circumstances, such as large visible supplies in this country and Europe, and the known large quantities in farmers' granaries, and good prospects for a large yield of the growing winter wheat—with a greatly lessened demand from foreign countries compared with the past few years—and the existing depression in general business in this country. These prospective supplies and probable demand indicate, that this country will have *cheap bread* for this year, 1884.

February 25th, 1884.



FORECAST FOR 1887.

(PUBLISHED JANUARY 8TH, 1887, IN THE "RECORD AND GUIDE.")

My estimate at the present time of the future business situation for 1887 depends upon certain conditions and combinations in and out of Congress.

It is a well-established fact that the failure of Congress last session to act on the tariff and silver questions aided powerfully to bring about this fall an improvement in the stock market, and in some other lines of industry.

The depression in business during the spring and summer of this year was principally caused by a dread of what Congress might do under the new administration.

When Congress adjourned last summer, leaving the tariff and silver laws unchanged, which was a surprise, business men at once saw that they were safe until the next Congress convened, and, with the assurance at that time of good crops, partial confidence returned in general business, especially in the railroad industry, as it was apparent that the railroads would have plenty to do during the fall months. Speculation centered in railroad

stocks, which gave them an active market; this influence also extended to the iron market.

Yet, nevertheless, while there has been an upward movement in stocks, iron, and some other manufactured commodities, the products of the land have not entered into this commotion. The farmers do not realize that they are benefited by the improvement in the stock market and commercial situation. What they have to buy is at enhanced prices, while that which they have to sell remains near the lowest prices for years.

If the improvement which was manifested in business this fall is an indication of continued better times it seems to be one-sided. The scales were up on one side and down on the other.

The advance in railroad stocks, and the better feeling in business was based with a temporary foundation upon what did not happen, which was the failure of Congress to reduce the tariff, to stop the coinage of silver, and the failure of the crops.

Business improved because the calamities did not happen, and it was well for the country that they did not.

The fear of what Congress may do is again upon the minds of the people, as demonstrated when Congress convened by a general tumble and col-

lapse of the stock market, putting prices back in ten days where they were four months ago.

Now, I undertake to say—and say it with emphasis—that if the Congress of this winter, or during an extra session the coming spring, should reduce the tariff or stop the coinage of silver, or should we have a general drought during the next spring and summer to damage the crops severely, then, in either case, prices for railroad stocks, iron, and the products of other industries which have been stimulated this year will decline to a lower level, and the improvements will fade out of sight.

Aside from all the economic theories as to the working of a low tariff in the long run, there is no denying the fact that the immediate effects of a reduction of duties would be depressed business in all our industries.

This government should not allow such a dismal calamity as the prostration of our industries in this way for the sake of reducing its revenue.

Congress should abolish the internal revenue taxes, which will cut down the surplus receipts to a fair limit, and the reduction in this way will not injure general business, and will avoid a growing stringency in the money markets, which is imminent by the continued accumulation and locking up in the treasury of such a large share of the currency.

To stop the coinage of silver in this country, would throw our silver production on English markets at greatly reduced prices, enabling the English merchants to buy their wheat and cotton of India at prices which would bankrupt American farmers. It would stop the improvement in business, cause lower prices to rule for every thing, and produce general distress in all our industries.

The year 1887 is the time for the periodical return of a general drought in this country. We have noticed its encroachments this year all along our Western border; long-continued dry weather prevailed from Texas to Dakota.

Should the drought return in 1887, it no doubt will extend eastward, covering the great wheat and corn-growing sections of our country, and if it should continue a sufficient length of time to damage the crops it will have the effect of curtailing grain freights East, and merchandise freights West, moving the scales the other way—stocks down and wheat up. Eastern merchants and manufacturers will become concerned about their goods, while on the other hand creating a lively speculation in breadstuffs and provisions.

The bright side of the future is plain. If Congress does not disturb the tariff and the silver laws, and there should be no damage by drought to the crops, then we will have a repetition of the

excitement in stocks during the fall of 1887, to last until the next session of Congress, when, again, we can expect to see a collapse in speculation and a sudden decline in prices.

And if there should not be an extra session in the spring, there will be a better feeling in business quarters during the spring months, to continue until the crops are determined, the outcome of which will decide as to good or bad fall trade.

This is a great and growing country ; it is in a splendid condition for unbounded development in all our industries. Plenty of good money—gold, silver, and paper; wonderful railroad facilities; a Western world on this continent to populate, and with the threat of lower duties abandoned, and a thorough high protective tariff enacted and continued, with favorable monetary laws, our prosperity and advance in our numerous industries will excel any thing recorded in all history.

SAMUEL BENNER.

DUNDAS, OHIO, December 25, 1886.

FORECAST FOR 1888.

This year, 1888, being Presidential year, coming as it does at the end of the cycle for low prices, will not be a good year for profitable business; prices for iron and railroad stocks will be lower than in 1887.

Since the assassination of Garfield, in 1881, business has been on the down grade; and during these six years of declining prices there has not appeared any great or important event to make a turning point for the better in general business.

The outcome of the election in 1884, and the change of administration, has had the effect to continue low prices for iron, railroad stocks and manufactured commodities.

The drought of 1887, which cut the crops short, has changed the direction of prices for grain and provisions.

Now, what is there to happen in this year, 1888, of sufficient importance to change the tide for higher prices and for commercial prosperity?

The most important future event in sight is the election in November.

The commercial history of this country is noted for its speculative eras and depressions. Commerce and finance move in cycles; and when the cycles of low prices have completed themselves

we may rely, with the utmost certainty, that they will be followed by cycles of high prices.

In speculative eras we have large advances in the prices of commodities, while the years of depressions are characterized by extensive declines and stagnation in business.

The cycles are distinguished for a variation in the price of pig iron of at least \$30 per ton. We have not realized this advance since 1881.

Now, to have an advance from the lowest in this depression of \$30 per ton in the price of pig iron and to have general prosperity during the years 1889, 1890, and 1891 to make and complete a high-price cycle, in accordance with the iron cycle as made in my "Prophecies," there must be a good and prominent cause for it.

It can not be brought about or accomplished within this cycle by a reduction of the tariff, as now threatened.

It now may be accepted as an axiom, that the immediate effect of a low duty tariff would be lower prices; to be followed afterward in a term of years by higher prices, to the benefit of foreign manufacturers.

Also, that the immediate effect of the passage of a high protective tariff would be higher prices; to be followed afterward in a few years by lower prices, to the benefit of the consumers.

Whenever we have had high prices for iron and merchandise under a low tariff, since the low duty of 1816, it was after our home manufactures were in ruin, and when foreigners had possession of our markets.

Under the present extent and stability of our manufacturing industries it would require several years, after the passage of a low duty tariff, to prostrate the business of this country, and afterward to advance our market to exorbitant figures on foreign imports.

Under the low duty tariff of 1816 our home manufactures were but few, and as a consequence British manufactures held possession of our markets, and high prices ruled for all imported manufactured commodities, while our agricultural products and labor were at low prices.

Under the low tariff of 1833, when our manufactures were infant industries, it required two years to stop our mills and furnaces, and then two years afterward to advance our market to the highest prices on foreign goods.

Under the exclusive *ad valorem* low tariff of 1846 (which is the most unfair tariff scheme that can be devised for the interests of this country and most desired by foreigners), it required a longer time to depress our domestic industries four

years of declining prices and four years of advancing markets to reach the highest, which was to the benefit of British manufacturers.

Now, if a low duty tariff bill should be enacted by Congress this winter, and to be continued, either specific or *ad valorem*, it would require a number of years before our manufactories would be in a state of ruin, and then before prices for foreign products could be advanced to a high figure.

Therefore, to reduce the tariff duties this winter would not accomplish this end in time for our cycle, and consequently we can not consider the enactment of a low tariff as a cause for a turning point in this year. In the past fifty years, during the low duty Democratic administrations of Van Buren, Polk, Pierce, and Buchanan, iron and all manufactured commodities declined and remained at a low price, with depressed business in our industries at the close of each of these administrations. And when these administrations were succeeded by the opposing party, which favored the protective policy, prices advanced to a high range and trade became prosperous.

The Cleveland administration at the close of this year, like its predecessors, will have fulfilled its mission by continuing low prices.

Reasoning from analogy observable in these

cycles, it is very evident that the coming three years, after 1888, will be unusually prosperous.

Therefore it is a necessity of the situation, cyclically speaking, and a sign of the times, that the low tariff party must give way to the party which protects our industries and assures at once general prosperity.

The Republican party must and will be successful in the election this fall to produce this result. This event I predict, which will be cause and major question of the times to make a turning point this year from commercial depression to great speculative activity.

The Republican party can and will solve the surplus problem—satisfactory to this country and without a sweeping reduction of duties on imports—and will restore prosperity by repealing any unfavorable laws that may be passed by Congress under Cleveland.

This year, 1888, being the closing year in this cycle of low prices—seven years from 1881—is the golden opportunity to commence the foundation for a business. If there is any benefit to be derived from a knowledge of these cycles in trade, it will be in taking advantage of them.

Young men who are about to commence their business career should embrace the present opportunity. There are but few of these chances in an

ordinary life. It requires about ten years to complete an up and down in general trade.

When the depressions which follow commercial crises reach their lowest limit, as determined by these price cycles, they afford the best opportunity for investment, and the height of speculative eras are the most dangerous periods to make a commencement in any enterprise.

This year is the opportunity for investors to open a mine, to build a furnace, to erect a mill, to build a ship, to equip a railroad, and to make investments in agricultural, commercial, and industrial operations.

George Peabody laid the foundation for his fortune by buying American securities in one of our commercial depressions.

According to the weather diagram in my prophecies, the summer of 1888 will be dry and hot, affecting the crops, and probably causing more damage than the heat of 1887. This will have a depressive influence on railroad securities, making the coming fall—September, October, and November—a good time to buy stocks cheap, for an investment to run a few years. We have passed the low point for grain and provisions, and prices for these products will take a higher range for several years to come.

SAMUEL BENNER.

DUNDAS, OHIO, January 2, 1888.



FORECAST FOR 1889, 1890, AND 1891.

My forecasts at present are not only for the year 1889, but also include 1890 and 1891.

It is a great desideratum to know when good times will commence, and it is also very important to know how long they will continue, and when we may expect the next panic and reaction in general business.

The business men of this country do not desire a boom of short duration so much as they do a steady advance in prices, and in the developments of trade—continuing for a number of years.

However much they may desire this condition for future business, the records of commercial and financial history do not warrant us in making this kind of prophecy.

Since 1825 this country has not experienced a continuous advance in the price of iron beyond four years.

The resumption of specie payment by the government in 1879 was the occasion for the boom in business following that event.

Now we have a decision by the people that protection will continue to be the policy of the government, making the occasion for the turning of the tide from depression to activity in all business.

The depression in trade for 1888 was predicted

thirteen years ago, and the prediction was also made at that time that the tide would turn, giving us an era of business activity during the years 1889, 1890, and 1891.

The persistence of the repetition of these trade cycles is becoming a commercial wonder; they ride triumphant over all events which have occurred during the past sixty years to oppose such regularity.

These cycles have been verifying themselves through the introduction of railroads, steamboats, the electric telegraph, the suspension of specie payments in 1837 and 1857, the panic of 1873, through the Mexican war, our civil war, through all our Presidential terms since the administration of Jackson, and up to the present time override and defeat the aims of the present administration, while using the whole machinery of the government for re-election, with the avowed policy of a low tariff, which would depress our industries.

What else can a reasonable person ask to prevent their repetition? Better times and higher prices will prevail for the next three years, and no happening or opposition can prevent them.

The outcome of the Presidential election has laid a broad basis for a general recovery of confidence; an element that has been wanting for the past four years, which we have observed by the

many idle furnaces, mills, and factories, and the lowest price for nails, steel rails, and pig-iron for a number of years.

The year 1889 opens with cheerful hopes. Our crops during the past year have been abundant; the prospects of an increased foreign demand for our surplus grain and provisions at advanced prices gives the farmers renewed energy. We must look forward to a hot and dry summer this year, as we are not yet beyond the period for a general drought; however, with fair early crops, business and prices will show considerable improvement in the spring months.

We are at the beginning of a prosperous period, and the outlook is for a decided improvement and advance in the prices of iron, railroad stocks, and in all manufactured commodities. Whenever our manufacturers are prosperous every industrial class is prosperous.

I predict that the price of iron will advance, and the average price for the year 1889 will be higher than the average for 1888; and I also predict that there will be a wonderful advance in prices for iron stocks, and all products and commodities in 1890; all business will be prosperous, and it will be a year of good crops, and the boom year in this period of activity.

In the beginning of the year 1891 speculatio-

will be at its height—a great business inflation—pig-iron fifty dollars per ton in the markets of our country.

I predict that there will be a panic in the year 1891. The overtrading and general inflation of business and expansion of credit and confidence, will produce this result. The panic probably will be brought about by the effects of heavy rainfalls and floods, or by the collapse of some large financial business firm.

This panic will be a commercial and financial revulsion, and will be followed by a long down sweep of prices.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1889.*

FORECAST FOR 1890.

I predict that prices for iron and railroad stocks will advance and be considerably higher in 1890 than in 1889, and that 1890 will be the most prosperous year for the iron trade, railroads, and for general business since 1881.

Iron is the most useful of all metals—it is the monarch of business, the barometer of commerce; it is the great Jupiter of trade, and when the iron industry is prosperous, so is the general business of this country.

I am well aware that my prediction, made last January, of the upward tendency of iron and better business for the year 1889, was considered by many persons as premature and would be a failure. The continued low prices had made them discouraged. Yet we have seen the prediction verified—iron has steadily advanced since the middle of February.

The cause and major question which made the turning point from commercial depression to activity in trade was the outcome of the election in 1888, which turned the tide in the minds of a majority of business men at that time, although the turn in business affairs was not apparent until some time later. However, it was scarcely a month after the inauguration of General Harrison

when the decline in iron ceased, a decline that had brought about a widespread stagnation in the iron world.

A restoration of confidence in the future has resulted in enlarged trade and in an increase of the industries of our country, making a lively continued demand for iron. A revival in general business stimulates the iron trade, and a rising iron market is the best evidence of it and that it will continue.

The aggregate grain and cotton crops of the past year are the largest in the history of this country, which is an important factor for promoting profitable and voluminous trade, and no doubt was the foundation for the extensive business done during the closing months of 1889. Yet the advance in iron had commenced several months before the extent and outcome of the crops were known.

The only adverse contingency that the most chronic pessimist can argue against the bright future business outlook is *tight money*—yet money is plenty every-where for legitimate purposes; the banks in Ohio are overflowing with funds, some of them refuse to pay interest on long time deposits.

As we look to the general government for our supply of currency, to increase its volume is plain

sailing. Congress should direct the Secretary of the Treasury to issue coin certificates in payment for silver bullion as fast as business expands. Should the Congress of this winter fail to repeal the internal revenue laws, then it ought to pass an act to pension all the soldiers *at once*, which will relieve the treasury of a part of the surplus, and place the money in circulation this year and next, while the revival of prosperity and increasing business will need and demand it in the channels of trade.

I predict that in five years from this time nearly all the soldiers then living will be pensioned by reason of the disability laws which have been and will be passed by Congress.

The business outlook for 1890 is buoyant for a general revival of trade. We may look in any direction and behold—granaries bursting with the products of the land, factories employed to their fullest capacity, the hum of industry is now heard where a year ago all was as silent as the tomb.

Railroads were never more prosperous; they are unifying and consolidating their lines with immense traffic, and reaching out in all directions with new roads to accommodate the increasing business. There will be a boom in railroad stocks this year.

The mining industry will feel the favorable in-

fluence the coming spring; the increased demand for coal, ore, and other minerals, with the revival and activity in general trade, will employ the full capacity of the labor of this country; the demand for labor will increase, making wages higher.

The growing winter wheat has a favorable start which is an indication of a large crop of wheat the coming summer.

The crops of foreign countries are short and below an average, which will make a demand for our surplus grain and provisions.

The balance of trade is in our favor.

We observe, as a result of the brilliant outlook, that there is a universal scramble for property. British syndicates are sending their money to this country by the millions to buy our breweries, distilleries, nail mills, flour mills, cotton and woolen factories, oil, ore, and coal lands, furnaces, elevators, and all else they can invest in where there is a prospect of a reasonable profit.

All Europe is excited about the scarcity of iron, and where the supply is to come from to meet the requirements of railway extension and military operations in the old countries. Prices have been advancing in England more rapidly than in this country.

We are now in an era of commercial activity unequalled in the annals of trade.

A production of ten million of tons of pig iron will not supply the demand for 1890. No. 1 pig iron will be low at \$30 per ton. The price will advance above that figure this year.

The growth of the United States is remarkable. Sixty-five millions of people.

Four hundred million acres of improved and cultivated land.

Two hundred thousand miles of railway.

A billion and a half of good money in circulation.

A net-work of electric wires from ocean to ocean, and a profusion of all the elements of wealth.

The progress and improvements in commerce, manufacture, and agriculture surpass any thing known in the world's history.

SAMUEL BENNER.

DUNDAS, OHIO, *January 1, 1890.*

FORECAST FOR 1891.

The brilliant outlook at the beginning of 1890 for higher prices for iron and stocks was blighted during the past summer and fall by the persistent necessities of London capitalists realizing on our securities in consequence of the collapse of speculation in South America, producing a continued depression in our stock market, ending in a financial panic.

There is a wide difference between a yearly panic in money and a periodical panic in trade.

One is the alarm of tight money raised nearly every spring and fall in New York City, while the other is cyclical, and is the inevitable result after a period of wild speculation and inflation in business.

The panic of November, 1890, was a financial disturbance—premature—to fulfill the predicted panic for 1891, and will soon subside.

An inflated basis for pig iron, railroad stocks, wild speculation in trade, and over expansion of credits are essential conditions to precede a panic that would result in a reaction of trade. These elements were lacking prior to the late financial flurry.

Now, what is the business outlook for the opening year?

There is no good reason why a financial disturbance at home or abroad should produce a *revulsion in trade* in this country at this time, and when no adverse national legislation is in sight for a year at least.

The McKinley Tariff, the Silver Bill, and the enormous Treasury disbursements forbid!

The McKinley tariff is the mainstay to the industrial interests of this country for the present to create and revive general business. It will give confidence in trade for the coming year.

The greenback—a wonderful money—is as good as gold to-day anywhere in this country.

No paper money has broken now—as it did in the panic of 1837—when suddenly two-thirds of it were extinguished by breaking—and when the expansion of bank credits and tenfold expansion of private credits were suddenly converted into specie demands. Farmers for years afterward were required to dig the ground to pay debts in specie, which were contracted in a wild money inflation.

No reduction of the tariff now, as in the year 1857, which was immediately followed by a panic and general suspension of the banks, and nearly

all paper money at a discount, which entailed heavy losses upon the public.

- No reduction of the tariff now, as in 1870 and 1872, which aided and created the commercial crash of 1873.

Had iron and stock reached a high-price basis during the past year, and had Congress adopted a low tariff instead of the McKinley bill, this severe financial crisis would have been a deplorable disaster resulting in a revolution of trade *at once*, with a sudden shrinkage in prices and general collapse in business throughout this country.

The business situation is in a prosperous condition, trade is upon a sound basis; the circulating money was never better; there is good money in any required amounts to move the crops, and to produce any manufactured commodity that is wanted; agricultural products of all kinds bring good prices; the foreign market will take all we can spare.

In view of the favorable outlook and the phenomenal expansion and speculation in our Southern and Western States, with the promise of an abundant crop the coming year, and the reorganization of financial affairs in Europe, and combinations in our extended railway system, we must look forward to a speculative boom in iron and

stocks before we can enter upon the coming periodical revulsion in trade.

I predict that the stringency in money and credits will cease this winter, and that business and prices will improve and recover under the working of the McKinley tariff, when in full operation, stimulating trade in many branches of industry all over this country especially in the South where all manner of enterprise has become a wonder, giving us a short boom in this year 1891.

I predict that the season of 1891 will be an exceptionally good one for the provision trade; corn and pork will advance materially to high figures by October next.

I predict that this period of inflation and activity in the iron industry will culminate in the fall of this year during the usual autumn stringency, and contraction in general business will follow with drooping prices.

The political complications changing the complexion of the next Congress, which will be unfriendly to the continuance of the policy of protection to home industry, and the tumult of presidential making in 1892, with third party confusion, will cast their shadows before them, creating doubt as to the future, unfavorably affecting general business.

This reaction in trade will not be sudden and

violent, but gradual, giving us a fairly prosperous period during the operation of the present tariff, to continue until Congress passes an act reducing duties. Then will follow a panic and sudden depression in all our industries, extending to a number of years prior to a satisfactory business situation.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1891.*

FORECAST FOR 1892.

For the past three years, 1889, 1890, and 1891, I have predicted a revival of speculation, good trade and high prices.

I now predict that the channels of trade will become stagnant—general business will languish and low prices will prevail for the next six years.

The cycle for high prices has passed, the opportunity is gone for a general revival of business, and during the past three years we have not experienced great speculation in this country.

Why is this so?

What was the “reason why?”

It could not be charged to resumption of specie payments. “Booms” appeared under the specie basis before the late resumption.

It was not for the want of the balance of foreign trade being in our favor; the balance of trade had been in our favor continuously from 1876 to 1888, sixteen hundred million of dollars.

It was not for the want of good crops at the beginning of this cycle in 1889; the production of wheat and corn in that year aggregated more bushels than in any year before in the history of this country.

It was not for the want of a protective tariff; our tariff has been protective for a number of years.

My answer to this question is this: There was not sufficient expansion and prospective inflation of the currency to produce and stimulate great speculation.

Prior to the War of the Rebellion a material rise in prices followed the rapid increase in the number of banks, and in the volume of paper money, and in periods of great speculation the country was flooded with a depreciated currency based on hard money. The notes of banks could not be signed fast enough for the public; banks of issue under the old state bank system could then inflate the currency to any desired amount to stimulate trade.

Now we have a banking system which is not adequate to furnish a sufficient volume of currency to meet the wants of all the people and to produce and stimulate great speculation, and the people know it.

The restrictions of the national currency laws—confining circulation to bonds deposited—and the provision which requires the keeping of a certain amount of money as a reserve against liabilities, not only prevents inflation of the currency, but

also hinders banks from extending accommodations to legitimate business interests.

The output of silver certificates in excess of the contraction of national bank notes and displacement of gold is a slow process, and is not sufficient for the increasing needs of this growing country.

I can fix no other "honest reason why" there was no great speculation in 1889, 1890, and 1891, than the lack of sufficient expansion of the currency.

One good reason for a thing is sufficient, without collaterals.

Why do I predict poor trade and low prices for the next six years?

One reason is that the cycle denotes it.

One cause will be the contraction of national bank currency.

There has been during the past nine years a contraction of national bank notes to the amount of 190 millions of dollars—and what is to be expected when the corporate existence of ninety-six national banks expire in this year 1892?

What will be the controlling cause? Answer: Discarding silver as a money metal by our government and other nations.

This controlling cause has been constantly operating to depress values and to restrain the ex-

pansive force of our industries—it has discouraged speculation early in the late high-price cycle, and will have a distressing and disastrous effect in the coming low-price cycle.

The coinage act of 1873, which abolished the silver dollar, was a monstrous wrong against labor and the industrial interests of this country.

The gold basis as a sole unit of value is a curse to the great majority of the human race. Gold alone is too scarce a metal to be the standard as the only measure and basis of all values; and as the commercial nations of the earth are drifting to the single standard, and in consequence of the growing scarcity of gold, it will continue to appreciate, which will be apparent in the decline of prices and depression in trade.

We are now approaching a low-price cycle.

What is to be expected when the demonetization of silver hangs over the financial heavens as a dark and threatening cloud?

The whole civilized world is suffering from the effects of a silver panic; prices are leveling down the world over, and in spite of our protective tariff prices here are adjusting themselves to the lower plane of value in foreign countries.

To realize the full measure of the present financial drift, and what a low cycle means, it will only be necessary to give the golden screw a few more

twists by fresh demonetization of silver in some other countries, increasing the impoverishment and gloom of Europe, stop the purchase of silver by our own government, without provision for placing more money at once in the channels of trade—national bank currency continually decreasing—and then cap the climax by the adoption of a “revenue tariff only,” under the single standard, which is and will be a new element in tariff history for depression, and the inevitable result will be that the industrial and productive interests of this country will be struck with the mildew of stagnation.

Since the silver legislation and financial crisis of 1873, the most remarkable increase in business activity and high prices for iron were in the high cycles of 1879 and 1889 in a decreasing ratio.

In 1879, resumption set free many millions of greenbacks, which started a wave of prosperity—the highest prices for iron were lower than in the former high cycle of 1872.

In 1889 there was no inflation of the currency to give rise to extraordinary movements in trade. The contraction of national bank notes exceeded the amount of silver certificates issued in that year. The highest prices for iron were lower than the highest in 1879.

Why is it that the periods of speculation are becoming weaker? And why was it that after 1879 and 1889 the advance in the price of iron ceased, and large enterprises of production became discouraged before the years of the high cycle had expired?

The cause of the whole trouble is to be found in—money.

Under the present system of national banks and the gold unit of value, periods of great speculation will be out of the question.

The upward movements in trade will be of short duration, with only ordinary advance in prices.

While on the other hand we can look forward to nothing else but long periods of depression, with increasing distress and prostration of all forms of industry, with lower prices for many products and commodities than ever known in the country.

The outlook for the growing winter wheat is unfavorable—the fall and winter pastures the worst for many years. The people are excited about our bountiful crops. Yet the crops of 1891 will melt away as did the big crop of 1889, without much stimulation in prices for iron and stocks, and should the crop condition in the coming spring have no better outlook than at present,

then the financial influence will be dominant, trade and traffic will decrease, and general business go into depression, to continue for a number of years.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1892.*

FORECAST FOR 1894.

It is somewhat against the desires of the writer to predict calamity in the future business of this country; yet, however, I yield to the urgent demand from business men for my views.

We are now in the down cycle in trade and prices, as explained in this book.

In the forecast for 1892 it was remarked that general business would languish and low prices would prevail for the next six years.

After such disasters as have occurred in 1893, the inquiry is a most anxious one: What is the business outlook for 1894? My prediction is, that hard times, poor trade, continued lower prices, and general stagnation in our industries will prevail all over this country throughout this year.

There will be a new and extraordinary business situation—a combination of adverse legislative enactments never before experienced in this country.

The repeal of the silver purchasing law leaves us squarely on the deadly gold basis.

There is no doubt of the Wilson tariff bill passing Congress and becoming a law, with some unimportant changes.

Gold basis with low tariff will be something

new in trade conditions, and its effects will be to paralyze the whole country. It will mean the lowest depths of depression in all our industries.

Speculative booms in business are out of the question—no use to look for them. The discarding of the silver dollar as a money unit has killed all speculation. The price of silver bullion will eventually decline in the world's market, dragging down wheat, wool, cotton, and all agricultural products.

It will be some satisfaction in these troublesome times to know that the greenback will save us from so great a calamity as the bursting of the Jackson paper money in 1837.

The hard times following that disaster spread a pall of bankruptcy over the whole land. Taxes could not be paid, and the greater part of the debts were settled by bankruptcy.

The greenback was our mainstay in the long downsweep of prices after the panic of 1873, after the Baring panic of 1890, and also after the late panic in 1893. We can rely on it after the coming commercial panic which is certain to follow the adoption of a low tariff.

No political party should ever be voted into power that would advocate the retirement of the greenback.

Now at this time we have no fears in regard to

the soundness of our paper money; yet we are in a deplorable financial condition.

The demonetization of silver in 1873 continues to hang over the business outlook as a dark and threatening cloud.

This stealthy act was a crime against God and man. It was an unpardonable sin, and no atonement can ever be made for it; it has occasioned more loss to the agricultural, mining and industrial interests of this country than the costs of all the wars that have ever been waged on this continent; it has occasioned more grief, sorrow, and gloom than all other crimes; it has been the real cause of declining prices in lands, grain, wool, cotton, iron and all else, to lower figures than ever known; it is the main reason why that stagnation prevails in our industries to-day; it is the monster that has thrown an army of laborers out of employment—filled our cities with starving men—because there is no work for them to do.

It is evident that the money problem is predominant for depression in our business affairs; and it is a sad and doleful commentary upon the times that in this free and enlightened country—rich in all the bounties of nature, inexhaustible mines of coal, iron, gold and silver, boundless agricultural resources—that such disasters in busi-

ness should have occurred as described, and all this under a high protective tariff.

If, with all that has happened in the past, when in possession of so favorable agricultural, manufacturing, and mining advantages, with protection; what is to be expected as a result of the adoption of a free trade and *ad valorem* low duty tariff at this time, with silver demonetized?

The low duty tariffs have been shameful failures in this country. Whenever we have had a low tariff, the general government became involved in debt, manufacturers were crippled, the people were impoverished, and labor was thrown out of work.

A low duty tariff will cause declining prices for labor and its productions, resulting in a lessened ability to pay debts. The gold we have will soon fly off to Europe to pay for goods we should manufacture ourselves.

When we had the low tariff of 1833, so empty was the treasury that the president could not draw his salary. The tariff was reduced in 1857. In the following year there was a deficiency in the revenue, and the government was compelled to borrow twenty millions of dollars.

The low tariff era from 1857 to 1861 was a dismal period in tariff history. The industries of this country were prostrated; the people were poor

and in debt. These four years of low tariff bankrupted more iron furnaces and factories, caused more failures in business, and reduced the laboring man to greater hardships and privations than ever before known.

With low tariff, on a gold basis, we can look forward to nothing else but an adjustment of prices to the low plane of foreign countries. The labor of this country will be forced down to the impoverished condition of labor in Europe.

What else can be expected but continued embarrassed business, bankrupted manufacturers, unemployed labor, and ruined farmers.

We sound the note of warning. Hard times are coming, the sting of which will come to every man's home.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1894.*

FORECAST FOR 1895.

WHAT ARE THE "SIGNS OF THE TIMES?"

The answer to this question is contained in one word

Prices.

Wheat, 54 cents a bushel at Chicago.

Cotton, $5\frac{1}{2}$ cents a pound at Cincinnati.

Pig iron, 10 dollars a ton at Pittsburgh.

Wheat, cotton, and iron are the leading factors in general business. Collectively, they are the barometer of trade. Low prices for these products indicate depression and stagnation in business.

Present prices for wheat and cotton means impoverishment for the farmers and cotton planters. Ten dollar pig iron is bankruptcy for the furnace man.

WHAT IS THE BUSINESS OUTLOOK FOR 1895?

There is no promise or sign of better times for the coming year.

We may look in vain for any permanent improvement in general business.

The increase last year of one hundred millions of dollars in the bonded debt of this government

does not signify that this is or will be a prosperous country, and that the people will be contented, keeping out of debt and making money.

Our immense war debt has been and is now a national misfortune. It was one of the instrumentalities which instigated the money power of the world to establish the single gold standard in this country.

Ever since 1873, when this crime was committed, values in lands, products, and commodities have been shrinking in consequence of this act, and no one can fathom or predict the depths to which prices will fall.

Many newspapers joined in the chorus after the adoption of a lower tariff last August, that things were now settled. The tide had turned; business was improving. Yet, notwithstanding all newspaper wisdom, there was a silent and constantly operating cause for depression that overrides all things. Prices did not advance, but continued on the downward grade. Pig iron, lately, $9\frac{1}{2}$ dollars a ton at Pittsburgh, is the wonder of the age.

The outcome of the late election is not a factor in the business situation.

It did not give us more gold.

It did not give us more corn.

It did not give us a protective tariff.

It did not stop the outflow of gold.

It did not increase the revenue.

It did not remonetize silver.

It did not relieve us from the blighting, withering curse of the single gold standard. Although a wonderful success for the Republican party, it was a dismal failure in improving business and in establishing higher prices.

Currency reform is now the sensation in Congress. This reform is not at this time imperatively needed; our currency is safe and sound; no noteholder has ever lost a penny by a broken national bank; every dollar of United States currency is as good as gold.

In my forecast for 1892, attention was directed to the restrictions of the national banking system by our currency laws, and that there was a lack of sufficient expansion of the currency to produce great speculation in 1889, 1890 and 1891. However, any plan of reform to make the currency more elastic will be only to juggle with the currency, and will not now, in this crisis of the government, stop the outflow of gold from the treasury.

What is absolutely required is abundant revenue to enable the government to pay its daily expenses, and to reform silver so that the vast hoard

in the treasury can be utilized in paying gold gamblers who present currency for redemption.

These results can only be obtained by the free coinage of silver first, and a thoroughly protective tariff to follow, which is the best for revenue and best for the people.

If the proposed currency reform is for the purpose of creating a boom in business for 1895 and 1896 it will be a flat failure.

Before the war of rebellion, when we had the specie basis banking system, whenever the tariff was reduced prices declined and hard times followed; to get their notes in circulation the banks had to resort to every ingenuity and cunning device so as to prevent their sudden return for redemption in hard money. They then could not inflate the currency and start a boom in business by their money alone.

It was only after a protective policy had been adopted and business was improving, that specie-paying banks flourished; then they could issue any quantity of their currency, which stimulated business and made high prices.

Now we have a low tariff, distressed business, and declining prices. Any system of state banks that would issue currency based on gold or any thing else could not get large quantities of their

notes out in the channels of trade, and therefore the attempt would be a failure to boom business.

A query: If more money is required at this time to create better business, why is there now a surplus over legal requirements of thirty million dollars of idle money in the banks?

There is an anxious inquiry as to the proper time to invest money.

It is one of the facts of trade, that when the depressions which follow commercial panics reach their lowest limit they afford the best opportunity for safe and profitable investment.

Is there any evidence anywhere that we are at the lowest in this depression?

Is there any property which is not depreciating in value, except gold?

I answer none.

Are prices so low they can not go lower? Does the lower tariff, Republican success in the election, and failure in the corn crop indicate a turn in the tide of depression for the year 1895?

I answer no.

There is not in view a single prospective happening that would advance prices, except very short crops of grain and cotton in 1895. However, in that event, railroads and general trade would be adversely affected.

There can not be prosperity in the future with

out advancing prices in general all along the lines of production and manufacture.

An average crop of grain in this country this year, with fair crops abroad, prices at Chicago for wheat after next harvest will go down to 40 cents a bushel; prices for corn next fall will decline to 25 cents a bushel; fat hogs three dollars a hundred pounds gross next winter's packing season. Prices for wool, cotton, iron, cattle, and horses will be on the down grade during the present year. Common sheep after the wool is taken off next spring will sell for what the pelt will then bring in the markets, 25 cents.

To the anxious inquirer: The year 1895 will not be the proper time to make investments in property, or to engage extensively in business enterprise.

We have not yet seen or felt the depths of the depressive effects of the gold basis with low tariff in connection with our growing national debt.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1895.*

FORECAST FOR 1897.

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I predict a revival in business and higher prices next spring and summer; also predict that 1898 will be a prosperous year, and that moderately good times will prevail until July, 1899.

By the 4th of March next, the dark clouds of the cycle of hard times will have rolled by. The sunshine of prosperity will then cover the land. The outcome of the election has changed the current of business thought. After the 4th of March next we enter a new cycle for better times.

The writer heretofore has been somewhat sanguine on the approach of cycles for good times, and has predicted higher prices for iron and great activity in general trade.

Now, judging the future by the past, and to reason from what we know, the future does not promise great prosperity.

The late election decided that the existing gold standard must be preserved until international free silver is secured.

International free silver is a delusion. To coin silver free at the commercial ratio, or any ratio other than 16 to 1, is out of the question. The

people of this country will not consent to change our silver dollars until the bonds are paid. United States bonds are payable in silver dollars of the existing weight and fineness.

The delay occasioned by an international money conference to agree to coin silver free at the ratio of 16 to 1 would consume many months of valuable time, and pending a decision by Congress the gold press would sound the note of alarm—fifty-cent dollars, repudiation, degradation, and desolation.

No cycle for good times could withstand the agony of 1896.

The single gold standard may possibly be maintained through the next four years, which will constantly operate to press down prices to the level of foreign countries.

The gold basis has been a hindrance to continuous improvement. Its effects are to override high and low tariffs, currencies, and all else, for depression. It has been the only cause for depressing and shortening all of our business revivals since 1872, in which year we had \$50 pig iron.

The people of this country have not had an opportunity in these business revivals to enjoy more than a glimpse of prosperity.

The single gold standard will fail to restore con-

fidence in our financial system or in our securities at home or abroad so long as we are compelled to issue bonds to get gold—to keep vast sums of paper currency and silver dollars on a parity with gold.

The people of this country made a mistake in voting down free silver. The Democratic Party made a mistake in coupling free silver with repugnant isms. Nine-tenths of the voters in the United States are opposed to the gold standard. Many men were buncoed and scared out of their votes for free silver.

Bimetallism is the only salvation for our depressed debtor country.

The writer in his book of Prophecies, when first published in 1876, predicted that resumption of specie payments in 1879 would be a success, that it would give confidence in business and higher prices.

In the year 1878, the business of this country was in the throes of depression. There were calamity howlers then. We were told that resumption of specie payments would be contraction, that the gold in the treasury would be drawn out in a day, and that there would be a smashing panic in all business.

The result was that the first day of January,

1879, was financially as pleasant as May—no panic for gold—confidence was restored at once. Gold, silver and greenbacks came out into circulation, and in less than twenty days pork advanced two dollars on the barrel.

Query: If the resumption of specie payments in gold alone did not create a panic.

Why should the restoration of silver to the money basis cause a panic?

Especially when it would make resumption what it means—gold and silver.

We have been told during the late political excitement that free coinage of silver would be contraction—drive out gold, create a panic, and inflict upon trade and commerce a deadly blow. The writer was ready to predict when free coinage of silver was assured that the price of silver bullion would advance, and when made a law, silver would command in the markets \$1.29 an ounce. Silver then could be coined at the ratio of 16 to 1, making the silver in the silver dollar worth *one hundred cents*, and that the result would be a business boom around the world throughout this century, verifying the prophecy made many years ago that the 19th century would close in the height of a speculative era.

The managers of the Republican party manifested ability in conducting the late political cam-

paign. It remains to be known whether they can manage the coming trade cycle for continuous prosperity, upon which depends the success or defeat of the Republican party in 1900.

The Republican party promise a protective tariff as a remedy for hard times.

A high tariff may increase the revenues of the government, yet we have no assurance that it would give high prices and continued prosperity in general trade.

Congress may revise and re-revise the tariff, and it will remain unsatisfactory. Protection will not protect. The trouble is deeper and wider than tariffs and currencies.

The President-elect remembers that the high tariff which was made to take effect October, 6, 1890, was the idol of his mind; that it had cost him the best thought in his life, and he had a patriotic hope that it would bring on an era of unbounded prosperity in this country.

What was the result? We will let the barometer of trade testify.

The records of the Iron and Steel Association, of Philadelphia, Pennsylvania, show that in the last cycle for good times, from 1888 to 1891, the highest monthly average price for No. 1 pig iron was \$19.90 a ton in the month of January, 1890. From that date the price of iron steadily declined

through 1890, 1891, 1892, 1893, and 1894, when the McKinley tariff was repealed, with the lowest yearly average price for pig iron ever known, \$12.66 a ton.

In a few months after the McKinley tariff became a law, there followed, by reason of reduction in wages, the most extensive labor strikes in the coal and iron trades in the history of this country, and this tariff was in operation only two years and one month when the Republicon party was disastrously defeated in the presidential election of 1892 by a tariff reform party.

In view of the above, we may look in vain for continuous prosperity as a result of a protective tariff alone.

It is unfortunate that the expenses of the government exceed its income, requiring a revision of the tariff at the beginning instead of near the end of the coming cycle for good trade. The improvement in business and higher prices to follow the adoption of a protective tariff will only continue a few months after a new bill would become a law.

The adoption of a new tariff in 1897 or in 1898 would stimulate general trade only until the summer of 1899, after which a reaction will set in, with declining prices, contraction in business, reduction in the wages of labor, closing of manu-

factories, and another period of poor trade in the last half of 1899 and bad times all through 1900.

In all of our business revivals prior to the demonetization of silver—advancing prices and good times of long duration—were produced by protective tariffs and the expansion of the currency. Since demonetization of silver, these agencies for business activity have been growing weaker and weaker, which can be observed by the failure of the McKinley tariff to maintain prices, when aided by an issue of one hundred and fifty-six million dollars in treasury notes.

Should any reader of this forecast have roseate views of the future—consoling himself that we are in the flow for a great boom in general trade, and contemplating going into debt for money to expand his business—let him consider the drift of the times and prices in past business revivals and depressions as here given recorded by the Iron and Steel Association and Dunn's Commercial Agency.

Yearly average price per ton for No. 1 pig iron in 1872, $\$48\frac{7}{8}$; in 1880, $\$28\frac{1}{2}$; in 1890, $\$18\frac{1}{2}$. These figures show that we are coming down rapidly from the top level.

The following will show that we are sinking lower at the bottom: The Iron and Steel Association report that the average price for pig iron

in February and April, 1895, was \$12 a ton, the lowest average monthly price for No. 1 pig iron on record.

R. G. Dunn & Co., who are faithful chroniclers of trade events, have in their commercial report of May 1, 1896, stated that the average price for all commodities was then the lowest ever known.

Can it be possible that the downward drift at the top and bottom will continue? It is probable.

Bimetallism is the only remedy.

There is no prospective legislation for an expansion of the currency by an increase of new money for circulation.

Gold evolution forbids.

Any financial legislation to contract the currency which the gold basis demands, especially to retire the greenbacks, would destroy confidence in trade, stop the improvement in business, and inflict a deadly blow on all of our industries.

Our money muss has become the most wondrous financial jumble of modern times. It is proper for every person to govern their temper in all things. Yet if I had the authority, using the language of General Jackson, by the eternal I would send every congressman to the penitentiary who votes for the retirement of the greenbacks.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1897.*

FORECAST FOR 1899.

[Copyrighted.]

I predict: That this revival in business will end in this year, 1899, and that after the month of July general trade will languish, prices will gradually decline, and the times grow worse until after the election in 1904.

The writer will not attempt to explain why a turn will occur in this year from prosperity to adversity in the business world, other than that the price cycle denotes it.

The remarks in this forecast will be confined to the trade situation, condition of prices, effects of the gold standard, and advice to the reader.

In view of the fact that the regular Congress will not be in session during the coming summer to disturb business, we should expect trade to improve, with decided higher prices, as it did in the absence of a summer session of Congress in 1895.

Yet the parallel will not exist. Trade conditions will not be the same. In 1893 we had a panic, and in 1894 severe depression in general business. Many manufacturers closed their shops in that year. The result was that stocks of mer

chandise and commodities were run down to a low limit.

The temporary improvement in 1895 was a filling up process.

In this year (1899) store-houses will be full of unsold goods, which have been manufactured in the hope of a great revival of business, with a big advance in prices to follow the adoption of a protective tariff.

These goods will be thrown on the market the first opportunity, as no prudent merchant or manufacturer would hold stocks of goods for the future, in view of the gloomy outlook for the trade situation in the year 1900, and when the capacity to manufacture more commodities is beyond all consumption in this country. Therefore we can not predict much higher prices, if any, for this year (1899).

Should there be an extra session of Congress the coming spring and summer, to reform the currency, it will cast a shadow over the business outlook, which will be followed at once by depression and contraction in the volume of trade.

Has there been a revival in general business during 1897 and 1898?

Opinions and facts are various.

It is well known that prices for railroad stocks and agricultural products commenced to advance

on the 20th day of April, 1897, from the low prices of the late depression, and continued to advance into the summer of 1897; and also it is well known that the price of wheat had a phenomenal rise in the spring of 1898.

A president of a national bank told the writer last summer that he employed a good deal of his time in patching worn out paper money, as the revival in business was wearing out money faster than usual.

Bradstreet's, in their weekly review of trade, September 10, 1898, says: "That the general level of prices of staples is the highest reached in five years."

R. G. Dunn & Co., in their weekly review of trade, September 2, 1898, say: "That it is strictly true that business is larger than in the very best of all past years." Again, November 25, 1898: "The general prosperity is attested by the largest volume of business ever recorded."

In view of the voluminous prosperity in this cycle, and also of the tremendous vitality of the United States, as shown in the war with Spain, we are moved to rejoice in the fulfillment of the prediction made for better times, and exclaim Great is America! The United States leads the world, not only in the output of pig-iron, in the expansion of commerce, in bank clearings, in rail-

road earnings, in wheat production, in a mighty foreign trade balance, but also in the immensity of the volume in trade.

YET, READER, HALT.

Let us for a moment take another view. The improvement in business has been more in the volume of trade than in the rise of prices.

It is well known that the rise in the average of prices can only be very small.

Bradstreet's Review of October 7, 1898, informs us: "That the complaints of narrow margin of profit are well nigh unanimous."

R. G. Dunn & Co.'s Review of September 30, 1898, reports "cotton at the lowest price for fifty years;" and again, October 7, 1898, "the lowest quotation ever known."

Other parties state that the woolen mills have had one of the most depressing summers in their history.

Farmers are complaining of the low prices of wheat, corn, and hogs.

The coal industry is demoralized by low prices for coal and depreciation in the value of mining property.

The price of pig-iron is now only one dollar a ton above the lowest price in the history of the trade.

And these extreme low prices in a business revival, with a new protective tariff.

In the past, protective tariffs made high prices in general, good times, and great speculation in products, commodities, and lands.

WHAT IS THE TROUBLE NOW?

The immense volume of trade can be accounted for by the astonishing growth of this country, wonderful increase in population, and extraordinary foreign demand for our products.

Yet why are prices for agricultural products and manufactured commodities so low, and almost a unanimous complaint of narrow margin of profit in this periodical return of a business revival?

It is said that money is easy to get, and that there is plenty of it.

We have a big gold reserve in the United States treasury.

We have whipped Spain and destroyed her navy.

We have made Cuba free.

We have islands in the sea.

We defy the powers of this earth to touch us.

We have a high protective tariff.

We have big crops.

We have war taxes.

We have the gold standard.

And to produce good times with high prices,

WHAT MORE DO WE WANT?

In the 1897 forecast it was said that: "The future does not promise great prosperity." It was known then that the Dingley protective tariff, when enacted, would be a failure to make high prices. It now requires the aid of war taxes to procure sufficient revenue. It was known then that there was lacking a sufficient amount of money in this country to induce great speculation. In proof, the banks have repeatedly called in loans, by reason of their exhausted reserves.

It was known then that there was something fundamentally wrong in the financial world, and that there was a cause constantly operating to hold down prices.

It is now proclaimed by some newspapers and persons that we have good prices in this country, and that there will be unparalleled prosperity. Let us mention some of these prices and predict:

Ten dollar pig-iron will in time break every furnace in Ohio and Pennsylvania.

Four cent cotton will bankrupt the cotton planter.

Sixty cent wheat will ultimately impoverish the farmer.

Five cent coal will force the miner to tramp the public highways.

In conversation with a bimetallist friend, he remarked: "That high prices can only come when we have a cessation of the pressure of the gold standard."

Every hard-headed trading man is well aware that the business of this country has received many gold standard shocks, and that their effects have lasted several months, and that these shocks have followed each other so closely that we have not had a cessation of the gold standard pressure.

The repeal of the silver purchasing law in 1893 gave business confidence a shock that nearly broke the whole country. We will never recover entirely from its dreadful effects.

The President's message to Congress in July, 1897, indorsing the Indianapolis Gold Commission, thereby aiming to strike a deadly blow to international free silver, gave this revival in business a shock, that the improvement in prices promised by the Dingley protective tariff could not withstand; hence a small rise in the average of prices and an insignificant advance in the price of pig-iron, instead of a rise of twenty dollars or more on the ton.

The outcome of the 1898 election promises no escape or relief from financial shocks of gold

standard legislation—promises no restoration of confidence in the stability of prices.

We are now being taught by financial seers that low prices are a blessing—that they are a burst of new sunlight for prosperity, and have come to stay—a condition to which all merchants and persons must conform.

The present governmental policy of open door imperialism is a ray of this new light.

Reader, the gold standard is marching on, alive and busy wrecking industries and impoverishing a great majority of mankind.

We are now in a period of years when we should have speculation in the products of the farm, the mine, and the factory. Yet we have the lowest prices for some commodities in all history.

The cyclical reactions in general business, which we have named down cycles, have occurred prior to the demonetization of silver, and are therefore independent of the gold standard for their periodical return.

Yet it is something new to have extraordinary low prices in an up cycle or business revival.

What has caused these extreme low prices for some important products in this up cycle?

Answer: The defeat of bimetallism in the late presidential contest.

Why is it that business revivals are growing weaker, that the tides of speculation are held back? And why do not all branches of business flourish?

It needs no scholar or magi to discern that it is caused by the far-reaching effects of "the most gigantic crime of this or any other age."

And should the gold standard be more thoroughly established in the future, by the further demonetization of silver, and especially by the destruction of the greenbacks, it will "produce widespread disaster in and throughout the commercial world."

In view of the business of this country receiving this threatening shock, which portends nothing but business confusion, it will be fortunate for all readers of this forecast who will have converted their property beforehand into first-class securities and then remain close to shore in their speculative ventures.

And also, in view of the coming cyclical revolution in general business, it will be prudent for all persons to keep out of debt, and to contract their trade operations *in this year*, and be prepared for falling prices, hard times, depression and stagnation in business.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1899.*

FORECAST FOR 1900.

[Copyrighted.]

I predict—That prices for pig iron and many other commodities will incline downward in this year 1900.

The business of this country was at a low ebb, and at the bottom of hard times, in 1896.

It was some months afterwards that business men realized that there was to be a change for better times.

Prices for railroad stocks and agricultural products commenced to move upward in April, 1897, followed by a revival in trade in 1898, and the great boom in railroad stocks and pig iron in 1899.

The writer of this forecast takes no delight in predicting declining prices in the future trade of this country, yet by the rule of price cycles and the demands of business men for a forecast, we cannot be blamed for foretelling that which cannot be averted.

We are now near the top of prosperity for this up cycle. Prices will continue high for some

months. They do not fall from top to bottom in one, two, or three years.

The reaction and decline from the late revival will not be sudden or violent, but gradual; imperceptible to many manufacturers and others who receive orders at satisfactory prices. Reasonably fair trade will be transacted this year.

Good and bad times succeed each other in a fixed and certain number of years, as demonstrated in this book.

We are now approaching a down cycle in prices and in general trade, to continue five years after 1899.

The extent of the depression in business throughout the coming down cycle will depend upon the outcome of the election in November next.

It is no part of this forecast to decide in advance the results of the election, yet it is not a difficult task to draw conclusions as to the effects that the administration of different political parties will have on future trade.

The success of the Republican party will prevent utter stagnation in business. It will maintain a protective tariff, which a majority of men in business regard as essential to fair trade and prosperity, notwithstanding the departure of the Republican party from its original financial and expansion policy when it first began to elect Pres-

idents. Its success will not bring on a widespread panic in business.

The success of the Democratic party will cause great depression in all the ramifications of trade. Its success means a low tariff. All of our deep depressions in trade, with extreme low prices, have occurred when we have had low tariffs.

Free silver is sleeping, and will take a long nap. Anti-expansion is not now popular. What else have the Democracy to rally voters? Only low tariff to smash the trusts.

A political attack on trusts and agitation of this question during the coming Presidential campaign will have a demoralizing and injurious effect on capital and on all business.

TRUSTS.

There have been combinations of men and capital in this country for many years doing business in the name of a company, for instance The Eagle Furnace Company, John Smith & Co., Peter Snyder & Co.; this is not anything new, and there has been no complaint.

But combinations of companies and consolidation of corporations in their magnitude have only appeared in late years, especially in 1898 and 1899, and now known as Trusts.

These corporations are considered by many per-

sons as illegal, and in many ways a dangerous element in the business situation.

Can the Trusts survive and live in the coming business depression?

Notwithstanding their power to raise and hold up prices in good times for their individual benefit, they cannot hold up prices in bad times; the down cycle will override them, as these cycles have done in all things in past depressions.

When the period arrives for general business to take the down grade, no opposition can prevent prices from declining—high tariffs, inflated currencies, wars, trusts, and all else to oppose, cannot arrest their downward course; it will be no use to kick against the rocks, prices will go down.

PIG IRON.

Continuous industrial and manufacturing activity is stimulated and also dependent upon rising and high prices for iron; and high prices for iron is the cause for a turn in the tide of commercial prosperity—general business has invariably turned downward after the years of extreme high prices for pig iron.

It is a settled fact that the capacity of this country to overproduce pig iron is out of all proportion to the ability to consume.

Present high prices for pig iron will stop the

foreign demand and curtail home consumption; and just so soon as this condition is observed and known, speculators will throw their iron on the market—a turn in the iron tide will then occur—down will go prices, and the late boom in iron will be only a wonder of the past.

GOLD.

The phenomenal rise in prices and voluminous trade in the past two years was not occasioned alone by the Dingley tariff, or by short crops in Europe and Asia or by trust combinations in this country.

The great change in the financial and industrial conditions in the United States with high prices, was the result chiefly of an extraordinary output of gold from the mines of the world.

If there had not been any increase to mention in the supply of gold, prices would not have risen more than one-half of that which they did in 1899.

The Alaska gold excitement having subsided, and the supply of gold from South Africa being cut off by reason of war now in that country, the production of gold from the mines in 1900 will be less than in 1899. It is therefore fair to assume that if the rapid increase of gold caused advancing prices, then a sudden decrease in the produc-

tion of gold would have an opposite effect—de-clining prices.

REAL ESTATE.

It is a mystery to many persons why prices for lands do not advance in this revival in business.

One reason is that prices for farm products, especially wheat, corn and provisions, remain low. The most influential cause why prices for lands do not rise with prices for commodities in our trade revivals, is that the duration of good times is too short to reach lands; prices for lands are the last in the procession to move upward.

A revival in general business effects manufactured commodities first, and if the supply of commodities is insufficient for the demands of trade, prices rise.

The supply of lands is always abundant, consequently the demand for lands is slow.

It would require at least five years of prosperous times to excite speculation in lands. This country is seldom blessed with more than a few years in succession of continuous rising prices. Farmers do not enjoy more than a glimpse of prosperity in each returning period of good times.

CONCLUSION.

The writer of this forecast has been in poor health for several months—the spirit of prophecy.

has nearly departed—and by reason of the cycles in trade ending in this year 1900, so far as demonstrated in this book, it is now the desire and wish of the author that some enthusiastic and ambitious person would take up the subject of BENNER'S BOOK OF PROPHECIES, bring the tables of prices up to date and extend the cycles into the far future—in fact write a new book on trade cycles and the rise and fall of prices.

SAMUEL BENNER.

DUNDAS, O., *January 1, 1900.*

FORECAST FOR 1904.

I predict *that* prices for pig iron, railroad stocks and many commodities will be lower in 1904 than in 1903.

I predict *that* the Republican Party will be successful in the election in November, 1904.

I predict *that* after the year 1904 there will be a revival in trade, better times, and *that* higher prices will prevail until the year 1911.

The present down cycle in prices and in general business ends in 1904; and by reason of a protective tariff this country has not had an old-fashioned period of hard times during the past three years. Nevertheless, there has been a stupendous fall in prices and shrinkage in values of railroad and industrial securities, with a severe decline in iron.

Prices for iron, railroad stocks and many industrial securities will continue to be depressed until the future policy of this government is settled in the coming election for president.

It is a consolation to know that we had a tariff to protect and maintain our industries so far in this low cycle, especially during the financial panic in Wall Street, New York.

Now, while we have had a disastrous reaction in prices for stocks and investment securities, it is to be reasonably expected *that* a further moderate business reaction will follow to the close of this low cycle.

Therefore, the decline in iron and steel, curtailment of orders for railroad materials and manufactured commodities will continue through the year 1904.

After the year 1904 we enter upon a new up cycle for better times, and to have a period of good times in this country it is essential *that* we have a protective tariff; and to have a protective tariff it is absolutely necessary for the Republican Party to be successful in the election in the fall of 1904. The business cycle and the times demand it.

General business has invariably become demoralized in every Democratic administration of this country since General Jackson was president.

The Democratic Party has failed in every one of its administrations during the past sixty years to continue good times to the close of its presidential terms.

Therefore that party is not cyclically in demand or desired by a majority of the people

to take possession of the government for the next four years after 1904, especially when a turn will be due for revival in business.

In the election of 1900 it would have been in accordance with the present down cycle for the Democratic Party to have been successful.

Then, with low tariff, the inevitable result would have been a period of low prices, stagnation in business and impoverished people; no more nor less than what could be expected.

Low Tariff.

What is the use for the Democratic Party to advocate free silver and at the same time to contend for low tariff?

We have had good times and prosperity in the past in this country with free silver, but never with low tariff.

Low tariff has been the cause of all of our hard times.

Low tariff is the enemy of the workingman.

Low tariff has often prostrated our industries and embarrassed our business men.

Low tariff has repeatedly thrown an army of laborers out of work and caused them to tramp the public highways for something to eat.

Prosperity.

If there is any benefit to be secured from a knowledge of the cycles in trade, it will be in taking advantage of them.

The year 1905 will be the beginning year of a new up cycle in pig iron and for long continued prosperity in general business, lasting until the next commercial revulsion, which will be due in 1911.

When our financial and commercial depressions reach their lowest limits, as determined by the cycles in trade, which have been explained and demonstrated in this book, they afford the best opportunities to make profitable investments of money in property, in railroad stocks, in industrial securities, in manufactures and in mercantile pursuits.

The pendulum of speculation in business and in securities vibrates from inflation to contraction and from contraction to inflation in a certain number of years. The cycle in prices point out these years.

In the years of inflation prices soar above intrinsic values and in years of contraction descend below real worth.

Looking forward beyond the year 1904, the cycles indicate six years of national prosperity.

The coming opportunity to catch business and prices at their lowest limits of depression will not happen again for twenty years.

The prospects for a bright business future were never better for moderate and continued prosperity, but no great boom in prices similar to earlier times when we had fifty-dollar pig iron.

There is no probability of the Republican Party failing to maintain a protective tariff and to retain the greenbacks. There is no probability of a total failure of the crops in this country; the latitude and longitude of this temperate climate forbid any such calamity.

There is no probability of astronomers announcing the conjunction of many planets to cause paroxysms upon the earth.

There is no probability of extraordinary spots upon the sun to disturb the temperature of our planet, or of some heavenly monster coming into solar system, changing our seasons by passing near to the earth on its way to the sun.

Now, while we have no fears as to any of these probabilities, let us for a moment contemplate the possibilities of the future:

It is estimated by financial experts *that* the shrinkage in values in railroad, mining and various industrial securities during the last two years, amounts to four thousand millions of dollars.

It is possible *that* the loss of this vast sum of money can be recovered and a thousand million dollars more of inflated values added to these securities during the coming six years of prosperity.

It is possible for our industrial departments to resume again their former activity and capacity, and to exceed in output of commodities, in agricultural products and in voluminous trade, any nation on the earth.

Corn.

The extraordinary and remarkably late spring of 1903, with its cold nights and wide extended western floods, long continued summer drouth in the east, with disastrous floods in the south and early frosts in the north, is the testimony of the seasons as to the weather conditions affecting the crops.

It is the opinion of the writer of this forecast *that* the total production of merchantable corn of the crop of 1903 is overestimated by crop reporters many millions of bushels.

Yet we have no anxiety as to the abundance of the crop for home consumption.

The immensity of our corn crops excites the admiration of the world. To possess and enjoy the comforts and blessings of plenty and abundant crops with fertile lands, enterprising and industrial people, is the desirable lot of the inhabitants of the United States of America.

SAMUEL BENNER.

Dundas, Ohio.

November 11, 1903.

FORECAST FOR 1905.

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I predict that prices for pig iron will advance and be higher in 1905 than in 1904.

I predict that prices for railroad stocks and industrial securities will be higher in 1905 than in 1904.

I predict that there will be a revival in business, and that the volume of trade in 1905 will exceed that of 1904 many millions of dollars.

I predict that there will be moderate good times for the next four years.

Looking backward, from the standpoint of the month of May, 1908, when the wheels of the industries of this country will be whirling with wonderful velocity, when general business will be plunging ahead with leaps and bounds, when prices for iron, railroad stocks, industrial securities, and various products and commodities will be many times higher than they were in the spring of 1904, we then can see and have a clear view of

the valley of depression and contraction in business during the first half of the year 1904—when the New York Stock Exchange was a lonesome place. U. S. Steel shares 8 $\frac{3}{4}$ for common and 51 $\frac{1}{4}$ for preferred, when general business was at a low ebb, when railroads were curtailing expenses, when pig iron warrants were nine dollars a ton.

Then again, viewing in a different direction, the turn in prices for stocks and securities in the months of May and June, and the continued expansion in prices by reason of the favorable prospects for crops through July, August, September, October and November, and the prospective success of the Republican party advancing the price of iron before the election, and then the magnificent triumph of the Republican party in 1904.

This backward view of the commencement of the upturn in the markets, is to record the preliminary stages of the coming good times.

PIG IRON.

Pig iron is the barometer of trade—when the iron trade is prosperous, it signifies prosperity for railroads, for manufactories, for

merchants, for farmers, and for general business in every department of trade. The trend of general trade in this country follows the pig-iron cycle as persistently as does the magnetic needle point to the poles of the earth.

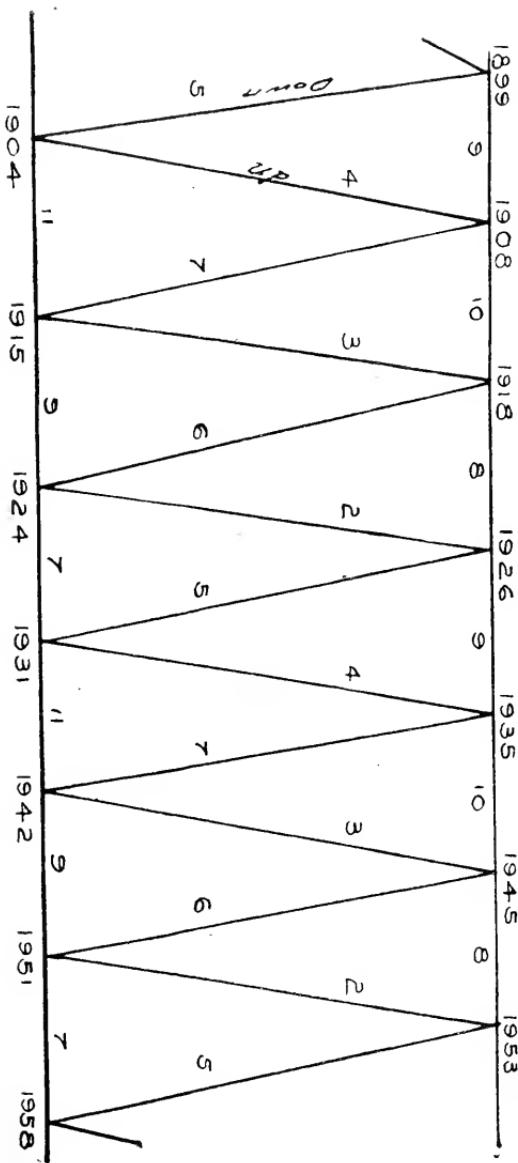
It is an accepted saying that "history repeats itself." To show how and when it will be systematically done, the reader is here given a long-distance view of the future ups and downs in prices for pig iron.

The following is a diagram of the cycles in this commodity extended fifty years into the future. These known cycles in iron date from the year 1834—seventy years ago.

At the top of this diagram is shown the highest-priced years and good trade. At the bottom the lowest-priced years and poor trade.

The years, 1911-1927 and 1945, are cyclical years for commercial panics to be followed by general revulsion in all trades.

We are now entering into an up-cycle in pig iron extending to the year 1908, indicating a prosperous period for the iron trade, and also indicating prosperity for the many industries of this country.



The productions of the earth have been bountiful during 1904, giving abundance for the sustenance of the people in the way of grain and provisions for the year 1905.

Who can hesitate now to invest money in property, when in view of the above statement, and also in view of the fact that we have lately emerged from a periodical business depression, and when there is no possibility of the occurrence of a commercial panic during the coming four years to disturb and distress the people; and again in view of the overwhelming victory of the Republican party in the election last November, assuring the maintenance of a protective tariff?

In view of these trade conditions and prospects, I predict that the price of iron will advance to a higher level during the year 1905 than in 1904.

RAILROAD STOCKS.

I will briefly state the situation in the stock market, and then give some reasons why prices for stocks and securities should and will continue on the up-grade in 1905 and in the further future.

In the past few years and including the winter and spring of 1904, there has been a shrinkage in prices for stocks and securities to the amount of over four thousand millions of dollars. This decline had descended below intrinsic values, and there was a complaint that prices were too low.

In the month of May, 1904, when the buds began to swell on the trees, and the grass to shoot from the ground, stock speculators awoke to the fact that nature was making a turn from winter to spring, and it occurred to them to follow suit; and by reason of the prospects for fair crops, prices were made to take the up-grade, and as the outlook for crops continued favorable, prices advanced through the summer and fall. Some financiers have been calling a halt, saying that the rise in prices has been too rapid. What I wish to remark is that prices have not at this time recovered the full amount of the shrinkage in the late depression. The pendulum of speculation has not vibrated to the full extent that the coming expansion demands. It is a business fact that in the years of inflation, prices soar above intrinsic values.

It is within the range of reason that prices for stocks and securities will not only recover the many millions of dollars lost in the late depression, but will also add at least one thousand million of dollars more of inflated values to these securities in the coming business revival. The extraordinary trade conditions demand it.

The only contingency that is probable for a reaction in prices, more than ordinary, in the next four years, would be a partial failure of the crops in the summers of 1905, 1906, 1907 and 1908.

The present advance in the stock market and the business revival, as they go marching on, are building upon a firm foundation, laid below the range of squalls in the money market, of tornadoes in banking, and of the effects of the war in the Orient. It is vain for the conservative or critic to lament over the business outlook.

The aggregate of crops for 1904 is simply enormous. Wheat, corn and oats combined amounts to nearly four thousand millions of bushels, other grains and minor products

fill the granaries of farmers with an abundance for every demand.

* The volume of money is sufficient for all legitimate requirements.

We may look in any direction and find business conditions sound—East, West, North and South. The South has prospered as never before, by its enormous profits on last year's cotton crop.

Who can hesitate to buy pig iron, railroad stocks and industrial securities now to make money?

SAMUEL BENNER.

DUNDAS, O., Dec. 7, 1904.

JAN 30 1905



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